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

**RECOVERY OF POSSESSION OF PREMISES
GIVEN ON LEASE ACT, No. 1 OF 2023**

[Certified on 17th of January, 2023]

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*Recovery of Possession of Premises Given on Lease
Act, No. 1 of 2023*

[Certified on 17th of January, 2023]

L.D.-O. 66/2021

AN ACT TO PROVIDE FOR THE PROCEDURE RELATING TO THE RECOVERY OF POSSESSION OF PREMISES GIVEN ON LEASE UNDER A LEASE AGREEMENT; TO REGULATE THE RECOVERY OF ARREARS OF LEASE RENTALS, SERVICE CHARGES AND LIQUIDATED DAMAGES; 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 Recovery of Possession of Premises Given on Lease Act, No. 1 of 2023. Short title

PART I

INSTITUTION OF ACTION

2. (1) Where any premises has been given on lease by a lessor, such lessor may, subject to the provisions of subsection (2), institute action for the recovery of possession of such premises in the Court having jurisdiction over the local limits within which- Action by the lessor to recover possession of a premises given on lease

- (a) the premises given on lease is situated;
- (b) the lessee resides;
- (c) the cause of action arises; or
- (d) the lease agreement sought to be enforced was made.

(2) An action shall not be instituted by a lessor under the provisions of this Act for the recovery of possession of a premises given on lease or for any relief specified in subsection (2) of section 5 unless possession of such premises has been given to the lessee by a lease agreement.

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Grounds for
institution of
action

3. An action under this Act may be instituted by the lessor to recover the possession of the premises given on lease where the lessee refuses or fails or neglects to leave the premises -

- (a) at the expiry of the period of the lease agreement; or
- (b) upon the termination of the lease agreement prior to the expiry of the period of the lease agreement due to a breach by the lessee of any of the terms, conditions, covenants, obligations or duties set out in the said agreement, where the lessor has issued a notice of termination of the lease agreement.

Documents to
be filed

4. (1) The lessor (hereinafter referred to as the “plaintiff”) shall institute an action by presenting a plaint in the form specified in the Civil Procedure Code and shall file with such plaint-

- (a) an affidavit to the effect that the possession of the premises given on lease which is the subject matter of the action (hereinafter referred to as the “premises”) is lawfully due to the plaintiff from the lessee (hereinafter referred to as the “defendant”);
- (b) a draft decree *nisi* together with the applicable stamps as required by law, for the decree *nisi* and service thereof; and
- (c) such number of copies of the plaint, affidavit and lease agreement, together with any document relied on by the lessor, as is equal to the number of defendants in the action, if there are more than one defendant.

(2) (a) The affidavit to be filed by the plaintiff under subsection (1) shall be made by the plaintiff himself or by a person duly authorized by law to make such affidavit on behalf of the plaintiff.

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(b) If the action is instituted by the plaintiff on the ground referred to in paragraph (b) of section 3, the plaintiff shall plead such facts and *prima facie* establish the breach committed by the defendant and shall also adduce proof of the early termination.

(3) In any action instituted under subsection (1), the Court shall permit the plaintiff to support the same within seven days from the institution of the action for issuance of a decree *nisi*.

5. (1) When the action is supported in Court for the issuance of a decree *nisi* in terms of section 4, if it appears to the Court that –

Entering a
decree *nisi* by
the Court

- (a) the lease agreement produced –
 - (i) is properly executed and the stamp fees are duly paid as required by law; and
 - (ii) is not open to suspicion by reason of any alteration, erasure or interpolation in the lease agreement unless such alteration, erasure or interpolation has been made before the signing by the executing parties as stated in the attestation by notary public, as the case may be; and
- (b) the contents of the affidavit filed is satisfactory to prove, *prima facie*, the case on the part of the plaintiff,

the Court shall enter a decree *nisi* in the form set out in the First Schedule to recover the possession of the premises described in the plaint, together with any of the reliefs specified in subsection (2).

(2) The relief referred to in subsection (1) shall be as follows:-

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- (a) the arrears of lease rentals;
- (b) service charges, if any, until the plaintiff is restored to vacant possession of the premises;
- (c) liquidated damages, if any, from the expiry of the lease agreement or effective date of the termination of the lease agreement until the date of restoration of the plaintiff to the vacant possession of the premises;
- (d) interest on arrears of lease rentals, service charges and liquidated damages at the rate of legal interest; or
- (e) such costs as the Court may allow together with such other reliefs prayed for by the plaintiff as the Court may seem meet.

Liquidated damages

6. (1) The Court, when determining the liquidated damages to be awarded under subsection (2) of section 5, shall not award any sum in excess of twice the lease rental agreed to in the lease agreement, though any sum in excess of such liquidated damages has been agreed to by the parties in the lease agreement.

(2) Where the parties have not agreed upon the liquidated damages payable in the lease agreement for the grounds of action specified in section 3, the liquidated damages that may be awarded shall be the sum of the lease rental agreed to by the parties in the lease agreement.

Payment of service charge

7. A service charge shall not be ordered unless the defendant has agreed to pay such service charge in the lease agreement, either directly to the plaintiff or to another person on behalf of the plaintiff.

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PART II

SERVICE OF DECREE *NISI*

8. (1) A decree *nisi* shall be served on the defendant to recover possession of the premises as asserted by the plaintiff while giving the defendant a reasonable opportunity to make an application to seek leave to appear and show cause, in respect of his position.

Service of
decree *nisi*
ordinarily to be
by registered
post

(2) The decree *nisi* shall be ordinarily served on the defendant by registered post at the premises or at the address given by the defendant in the lease agreement for service of notices, if any.

(3) The Registrar of the Court shall, within a period not later than three days from the date of entering of the decree *nisi* under section 5, initiate action to serve the decree *nisi* on the defendant.

9. (1) The Court may, on application being made in that behalf immediately after the decree *nisi* is entered under section 5, and at its discretion, order that in addition to serving the decree *nisi* by registered post, the decree *nisi* may also be served by tendering or delivering the same on the defendant personally through a process officer.

Service of
decree *nisi* by a
process officer

(2) In the case where such decree *nisi* is ordered to be served through a process officer under subsection (1), the Registrar of the Court shall authorize the process officer to serve the decree *nisi* on the defendant within ten days from the receipt by such process officer of the decree *nisi* along with the precept in the form specified in the Second Schedule.

(3) The decree *nisi* may be served in any part of Sri Lanka. Where a decree *nisi* ordered to be served personally through a process officer is required to be served outside the local limits of the jurisdiction of the Court issuing the same, the decree *nisi* shall be forwarded by such Court to the court

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within whose jurisdiction the defendant is believed to be residing forthwith, and it shall be the duty of the last-mentioned court to cause the decree *nisi* to be duly served on the defendant in accordance with the provisions of this Act.

(4) Where a decree *nisi* is required to be served outside the local limits of the jurisdiction of the Court issuing the same, the Court may, at its discretion or on application made by the plaintiff, for reasons to be recorded and upon such terms as to costs, authorize the process officer of that Court to serve the decree *nisi* outside the local limits of the jurisdiction of that Court and to function as a special process server.

(5) It shall be the duty of the process officer to endeavour to obtain the signature or the thumb impression or both of the defendant or any other person on his behalf, on the original precept in acknowledgment of the service of the decree *nisi*. The process officer shall return the precept to the Court together with the report informing the Court the manner of service of the decree *nisi* as set out in the form specified in the Second Schedule referred to in subsection (2).

(6) If the service cannot be effected as referred to in subsection (1) by the exercise of due diligence, the process officer is authorized to affix the decree *nisi* in some conspicuous part of the premises without any further direction of the Court and report such service to the Court. The decree *nisi* served in the aforesaid manner shall be deemed to have been duly served on the defendant personally.

Service of
decree *nisi*
on a public
officer

10. (1) Where the defendant is a public officer, the Court may, at its discretion, in addition to sending the decree *nisi* to the defendant by registered post, also forward a copy of the decree *nisi* in duplicate, by registered post to the Head of Office in which the defendant is employed.

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- (2) In this section, “Head of Office”—
- (a) when used with reference to a member of any Unit of the Sri Lanka Army, Sri Lanka Navy or Sri Lanka Air Force, means the Commanding Officer of that Unit;
 - (b) when used with reference to a person employed in a Provincial Council, means the Secretary of that Provincial Council;
 - (c) when used with reference to a person employed in the Provincial Public Service, means the Head of the Department in which such person is employed;
 - (d) when used with reference to a person employed in a local authority, if the local authority is a Municipal Council, means the Municipal Commissioner of such Municipal Council and if the local authority is an Urban Council or a Pradeshiya Sabha, means the Chairman or Secretary of such Council or Sabha; and
 - (e) when used with reference to any other public officer, means the Head of the Department of the Government in which such person is employed.

11. (1) The date to be specified in the decree *nisi* as the date on which the defendant is to make an application seeking leave to appear and show cause, if any, against the decree *nisi* shall be as early a date as can conveniently be specified, regard being had to the distance from the defendant’s residence to the Court. In any such instance, the said date to be specified shall not be later than six weeks from the date of the decree *nisi*.

Date to be specified in the decree *nisi* for the defendant to apply to the Court for leave to appear

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(2) The Court shall not grant the defendant any further time to make an application to enable the defendant to seek leave to appear and show cause against such decree *nisi*.

PART III

DEFENDANT TO MAKE AN APPLICATION TO APPEAR AND SHOW CAUSE

Defendant to
appear and
show cause
only upon
leave and
security

12. (1) In an action instituted under this Act, the defendant shall not appear and show cause against the decree *nisi* unless he first obtains leave to appear and show cause from the Court which issued the decree *nisi*.

(2) The defendant shall, for the purpose of subsection (1), file an application by way of a petition for leave to appear and show cause against the decree *nisi* supported by an affidavit and such petition and affidavit shall deal specifically with the plaintiff's case and state clearly and concisely what the defence to the plaintiff's case is and what facts are relied upon to support it.

(3) Upon the filing of the petition and affidavit referred to in subsection (2), if the Court is satisfied that the contents of the petition and affidavit disclose a defence which is *prima facie* sustainable against the action of the plaintiff for recovery of possession of the premises, the Court may grant the defendant leave to appear and show cause against the decree *nisi*, subject to security.

(4) If the Court is not satisfied that the contents of the petition and affidavit disclose a defence which is *prima facie* sustainable, the Court shall refuse the application referred to in subsection (2) and make the decree *nisi*, absolute.

Security to
be furnished
by the
defendant

13. Where the Court grants leave to appear and show cause under section 12, the Court shall order the defendant to furnish security which is not less than—

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- (a) the sum due to the plaintiff as the aggregate of the arrears of lease rentals, prayed for and specified in the decree *nisi*;
- (b) the aggregate sum due to the plaintiff as service charges up to the date of the order granting leave to appear and show cause prayed for and specified in the decree *nisi*, if such claim has been made; and
- (c) the aggregate sum due to the plaintiff as liquidated damages prayed for and specified in the decree *nisi*, from the expiry, or effective date of termination of the lease agreement upto the date of the order granting leave to appear and show cause and for a further period of one year from the date of granting such leave.

14. (1) The security ordered by the Court under section 13 shall be deposited in cash in the Court within two weeks from the date of the order.

Security ordered to be deposited within two weeks

(2) The Registrar of the Court shall cause to issue a deposit note to deposit the same to an interest accruing bank account maintained by the Court and the moneys shall be kept in the account until a further order is made by the Court.

(3) The Court shall not grant any period of extension to deposit the security ordered by the Court, unless the defendant, by an application made within the period of two weeks referred to in subsection (1), establishes sufficient reasons, to the satisfaction of the Court, for his inability to deposit the security. In such event, the Court may grant a further period which shall not exceed two weeks from the expiry of the previous time period granted by the Court.

15. Where the defendant-

- (a) fails to make an application for leave to appear and show cause on the date specified in the decree *nisi* under subsection (1) of section 11;

Making the decree *nisi* absolute, by the Court

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- (b) having made an application for leave to appear and show cause, has failed to disclose a defence which is *prima facie* sustainable against the action of the plaintiff for recovery of possession of the premises; or
- (c) fails to furnish the security ordered under section 13 within the time period specified under section 14,

the Court shall make the decree *nisi* absolute, without any further notice to the defendant. In such instance, the Judge shall endorse the words "Decree *nisi* made absolute." or words to the like effect, upon the decree *nisi* and shall date and sign such endorsement:

Provided that a decree *nisi*, if it consists of separable parts, may be discharged in part and made absolute in part and anything herein enacted shall not prevent any order being made by the Court on the consent of the plaintiff and the defendant consequent to the decree *nisi*.

Order making a decree *nisi* absolute on default not appealable, but may be set aside

16. (1) An appeal by a defendant shall not lie against the decree *nisi* which has been made absolute due to the defendant's failure to make an application in terms of paragraph (a) of section 15, but it shall be competent for Court, within a period not later than one year after the decree absolute was entered, to entertain an application by the defendant by way of petition and affidavit filed against such decree absolute, to have it set aside on the ground that-

- (a) the defendant was prevented from appearing in Court after the decree *nisi* was served on him by reason of accident or misfortune or an act of God; or
- (b) such decree *nisi* was not served on the defendant.

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(2) In addition to the grounds referred to in subsection (1), the defendant shall also plead in the petition and affidavit, the grounds for leave to appear and show cause against the decree absolute. The petition and affidavit shall deal specifically with the plaintiff's case and state clearly and concisely what the defence to the plaintiff's case is and what facts are relied upon to support it.

(3) On filing the petition and affidavit by the defendant in terms of subsections (1) and (2), if the Court, after giving the parties an opportunity of being heard, is satisfied that-

- (a) the failure on the part of the defendant to make an application under paragraph (a) of section 15 was due to any ground specified in subsection (1); and
- (b) the defendant has disclosed a defence which is *prima facie* sustainable,

the Court may set aside the decree absolute subject to security that shall be furnished under section 13 and shall proceed to determine the matter in accordance with the provisions of this Act, if such security is deposited within the period specified under section 14.

(4) If the defendant fails to furnish the security referred to in subsection (3) within the time period specified for such purpose, the Court shall then make an order making the decree *nisi* absolute.

(5) Where the defendant fails to satisfy the Court as provided for in paragraphs (a) and (b) of subsection (3), the Court shall dismiss the application of the defendant, with costs.

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PART IV

PROCEDURE AFTER GRANTING LEAVE TO APPEAR AND SHOW CAUSE

Procedure
where leave to
appear and
show cause is
granted

17. (1) Where the Court-

- (a) grants leave to appear and show cause against a decree *nisi* to the defendant under subsection (3) of section 12 and the security ordered is deposited within the specified period; or
- (b) setting aside the decree absolute, grants leave to appear and show cause to the defendant under subsection (3) of section 16 and the security ordered to be furnished is deposited within the specified period,

the provisions of sections 384, 385, 386 and 387 of the Civil Procedure Code shall, *mutatis mutandis*, apply in respect of the proceedings before the Court.

(2) For the purpose of section 384 of the Civil Procedure Code, the application filed by the defendant for leave to appear and show cause shall be deemed to be the objection of the defendant and the affidavit filed by the defendant in support of such application shall be deemed to be the affidavit of the defendant.

(3) The Court shall pronounce the final order in the matter of the plaint, either discharging the decree *nisi* or making the decree *nisi* absolute within one year from the date of granting leave to appear and show cause.

(4) The final order so pronounced shall be endorsed on the decree *nisi* either with the words "Decree *nisi* discharged." or "Decree *nisi* made absolute." or words to the like effect and such endorsement shall be dated and signed by the Judge of the Court:

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Provided that a decree *nisi*, if it consists of separable parts, may be discharged in part and made absolute in part, and anything herein enacted shall not prevent any order being made by consent of the plaintiff and the defendant on the footing of the decree *nisi*.

18. In any proceedings under this Act, the Court may order that the originals of the lease agreement or other document copies of which were filed with the plaint or on which the action is founded, be made available for examination by the Court when the action is supported in Court. Notwithstanding anything to the contrary in the Civil Procedure Code, such agreement or document shall be returned to the relevant party after such examination.

Originals of documents filed to be made available to court for examination

19. (1) Where, after entering a decree *nisi* -

Award of compensation

- (a) it appears to the Court that such decree *nisi* was obtained by wilful suppression or non-disclosure of any material facts; and
- (b) the decree *nisi* was discharged and the action was dismissed on the grounds of such wilful suppression or non-disclosure of material facts,

the Court may in the same action, on the application filed by the defendant against whom the decree *nisi* was entered, award compensation and costs for the expenses or injury caused to such defendant, in such sum as the Court deems reasonable, to be paid by the plaintiff.

(2) An award made under subsection (1) shall operate as a bar to any action for compensation in any subsequent proceeding under this Act.

(3) Notwithstanding the dismissal of any action instituted under this Act, where an application is made for compensation under subsection (1) in respect of a decree *nisi* entered in such action, the action so dismissed shall be deemed to continue until the determination of such application.

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Surrender of possession of the premises by the defendant, &c

20. (1) Where the defendant appears in Court in response to the decree *nisi* and agrees to surrender the possession of the premises or to settle the arrears of lease rentals, service charges and liquidated damages, as the case may be, on such terms and conditions that may be agreed upon by the parties, the decree *nisi* shall be made absolute subject to such terms and conditions as agreed upon by the parties before the Court.

(2) Notwithstanding anything to the contrary contained in the succeeding provisions of this Act, the decree absolute referred to in subsection (1) shall operate as a stay of execution of proceedings as agreed to by the parties, provided that the defendant shall not act in breach of any of the terms and conditions of settlement. Where the defendant acts in breach of such terms and conditions, the plaintiff shall be entitled to execute such decree absolute.

Discharge of a decree *nisi* or dismissal of an action not to bar any subsequent action

21. The discharge of a decree *nisi* or dismissal of an action under the provisions of this Act shall not operate as a bar for any other action instituted for the recovery of possession of the premises by the lessor or any other person entitled to the possession of such premises, on any appropriate cause of action under an applicable procedure in the Civil Procedure Code or any other law.

PART V

PROCEDURE AFTER MAKING THE DECREE *NISI* ABSOLUTE

Decree absolute deemed to be a writ of execution

22. (1) Subject to an order of the Court, where a decree *nisi* entered in an action instituted under this Act is made absolute, it shall be deemed to be a writ of execution duly issued to the Fiscal in terms of subsection (3) of section 225 and section 323 of the Civil Procedure Code, and the same shall be executed fourteen days after the date of order making the decree absolute, without any further notice to the defendant.

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(2) Notwithstanding anything to the contrary in any other written law, the execution of the decree *nisi* made absolute shall not be stayed except as provided for in subsection (4) of this section and subsection (2) of section 20.

(3) The writ of execution referred to in subsection (1) shall be valid for a period of not more than one year from the date on which the decree *nisi* was made absolute, and it shall be the duty of the Fiscal to execute the same in the manner specified in the Civil Procedure Code for the execution of writs.

(4) Notwithstanding anything to the contrary in any other written law, preferring an appeal or an application for revision or an application for *restitutio in integrum* by the defendant, in respect of a decree *nisi* made absolute, shall not be a ground to stay the proceedings unless the Appeal Court makes an order expressly staying such proceedings.

(5) Before the Appeal Court makes an order expressly staying the execution in pursuance of an appeal or an application made by the defendant, it shall call upon the defendant to furnish a security in cash for the satisfaction of the entire monetary claim of the plaintiff under section 13 inclusive of liquidated damages or such part thereof as the Appeal Court may deem fit, having considered all the circumstances of the case, in the event the main appeal or application is dismissed:

Provided that no such stay order shall be issued unless sufficient notice has been given to the plaintiff or his registered attorney.

23. (1) If the Fiscal is resisted or obstructed by any person while executing a writ referred to in section 22, the Fiscal shall, within fourteen days of the resistance or obstruction, report such resistance or obstruction to the Court and the Court shall thereupon issue a notice against the person resisting or obstructing requiring him to show cause as to why he should not be dealt with for contempt of Court occasioned by such resistance or obstruction.

Resistance
deemed to be
contempt

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(2) (a) Any person resisting or obstructing the Fiscal while executing a writ under this Act commits contempt of Court, unless-

- (i) such person, not being the judgment debtor, proves to the satisfaction of Court that the resistance or obstruction has been occasioned by such person claiming in good faith to be in possession of the whole of such premises on his own account or on account of some person other than the judgment debtor, by virtue of any right or interest; or
- (ii) the claim notified is found by the Court to have been made by a person claiming to be in possession of the whole of such premises on his own account or on account of some person other than the judgment debtor, by virtue of any right or interest.

(b) Any person who commits contempt of court under paragraph (a) shall be liable to a fine not exceeding rupees five hundred thousand or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

(3) The provisions of section 303 of the Code of Criminal Procedure Act, No. 15 of 1979 shall not be applicable in respect of an offender on whom a sentence of imprisonment is imposed under subsection (2).

(4) In addition to imposing punishment on the convicted person under subsection (2), the Court shall order the Fiscal to place the plaintiff judgment creditor in vacant and peaceful possession of the relevant premises.

Change of possession or *status quo* of the premises by the defendant after institution of action

24. (1) Subject to the provisions of subsection (2), a defendant or his legal representative shall not place in possession a third party in the premises in any manner whatsoever after the decree *nisi* entered in the action is served on such defendant or his legal representative, and such act shall amount to contempt of Court:

Provided however, if the action is dismissed or the decree *nisi* is discharged, this prohibition shall no longer be applicable.

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(2) It shall be the duty of the defendant or his legal representative to maintain the *status quo* of the premises in the same condition as it was at the time of service of the decree *nisi* and the defendant or his legal representative shall not change the *status quo* of the premises without an order of the Court.

(3) Where the possession of any premises has been delivered to a third party either completely or partly in contravention of the provisions of subsection (1), such alienation shall be *null and void* and of no force or effect in law. Such third party and all those holding possession of the premises under him, shall be liable for ejection from the premises, as in a writ of execution as a party bound by the decree, although such third party is not a party to the decree.

(4) Notwithstanding anything to the contrary in any other written law, any person who is guilty of contempt of Court under subsection (1) shall be liable to a fine not exceeding rupees five hundred thousand or to an imprisonment for a term not exceeding two years or to both such fine and imprisonment.

(5) The provisions of section 303 of the Code of Criminal Procedure Act, No. 15 of 1979, shall not be applicable in respect of an offender on whom a sentence of imprisonment is imposed under subsection (4).

PART VI

APPEALS

25. (1) Any person aggrieved by-

- (a) an order making a decree *nisi* absolute by refusing an application made by the defendant on the grounds specified in paragraphs (b) and (c) of section 15;
- (b) an order under subsection (4) of section 16, making a decree *nisi* absolute on failure by the defendant to furnish security;

Preferring
appeals against
an order of the
Court

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- (c) an order under subsection (5) of section 16 dismissing an application made by the defendant to have the decree absolute set aside; or
- (d) a final order made under subsection (3) of section 17 either discharging the decree *nisi* or making the decree *nisi* absolute,

may prefer an appeal in terms of the provisions of subsection (1) of section 754 of the Civil Procedure Code.

(2) Notwithstanding the preferring of any such appeal, the execution of writ of execution shall not be stayed.

(3) Where the Appeal Court allows an appeal setting aside a decree absolute and where the writ has already been executed under section 22 of this Act, the Appeal Court shall enter a decree in favour of the appellant awarding damages in such sum as it may consider appropriate for the loss of premises for his occupation or business during the validity period of the lease and may, at its discretion, order restoration of the appellant to the vacant possession of the premises:

Provided however, the Appeal Court shall not order restoration of the appellant if the lease period for which the premises has been given to the appellant under the lease agreement has already expired as at the date of the judgment of the Appeal Court.

(4) Where the Appeal Court makes an order to enter a decree *nisi* absolute, such decree shall be deemed to be a writ of execution duly issued to the Fiscal in terms of subsection (3) of section 225 and section 323 of the Civil Procedure Code, but the execution of the same shall be stayed until the expiration of the period allowed by law to make an appropriate application to the Supreme Court.

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(5) Notwithstanding anything to the contrary in any other written law, the writ shall be executed after the period allowed by law for making an application to the Supreme Court, unless the Supreme Court makes an express order staying the execution.

PART VII

MISCELLANEOUS PROVISIONS

26. In any matter or question of procedure not provided for in this Act, the procedure laid down in the Civil Procedure Code in respect of a like matter or question shall be followed by the Court if such procedure is not inconsistent with the provisions of this Act.

Casus omissus

27. Where any form to be used for the purposes of this Act has not been specified in this Act, such form as may be required, may be prescribed by the Minister for such purpose.

Forms

28. (1) Notwithstanding anything to the contrary in any other written law, in an action instituted under this Act, if the defendant has defaulted the settlement of any payment due and payable by him under the lease agreement by way of service charge or part thereof or any utility bills or part thereof, from the date of the plaint until the date of writ of execution, the plaintiff shall make an application in the same action within a period of three months from the date of execution of writ and delivery of vacant possession of the premises to the plaintiff, by petition and affidavit supported by relevant documentary evidence to establish such non-settlement, for the recovery of such dues and interest and penalty imposed on such dues.

Recovery of unsettled utility bills or service charges due as at the time of execution of the decree

(2) The Court, on being satisfied of the contents contained in the petition, affidavit and the documentary evidence referred to in subsection (1), may make an order, directing the defendant to appear and show cause why the Court should not make an order to pay such sum specified in the order, to the plaintiff.

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(3) The Court may, after due inquiry, make an order awarding the plaintiff any such arrears of utility bills and service charges upto the date of delivery of the vacant possession of the premises to such plaintiff together with any interest or penalty on such bills or charges.

(4) The provisions relating to decrees for money set out in the Civil Procedure Code shall *mutatis mutandis* apply for the recovery of the moneys awarded in such order.

(5) Any defendant who intends to appeal against an order made under subsection (3) shall deposit in the Court the full sum ordered for payment as a security, as a condition precedent to such appeal and the Court is entitled to reject any such appeal without a deposit of the full sum ordered as security.

A special register and special inquiry roll to be maintained

29. (1) There shall be maintained a special register in the form specified in the Third Schedule in every Court for actions instituted under this Act and such actions shall be assigned a number distinctive from other actions.

(2) In every Court in which cases may be instituted under this Act, a special inquiry roll shall be kept of such cases in which leave to appear and show cause against a decree *nisi* has been granted. It shall be competent for the Judge of such Court to order such cases to be set down for hearing on such days as may facilitate their early disposal, any rule or practice of such Court to the contrary notwithstanding, and after giving the parties reasonable notice of the date of inquiry.

PART VIII

GENERAL PROVISIONS

Applicability of other laws

30. The provisions of any other written law relating to lease agreements shall, in so far as they are not inconsistent with the provisions of this Act, apply to lease agreements governed by this Act.

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- 31.** (1) The provisions of this Act shall be applicable to any lease agreement, notwithstanding that such lease agreement has been entered into and executed prior to the date of commencement of this Act. This Act to be applicable for lease agreements executed prior to the commencement of this Act
- (2) Where such lease agreement has expired or terminated prior to the date of commencement of this Act, the lessor shall be entitled to commence proceedings for the recovery of the possession of the premises and the arrears of lease rentals, service charges and liquidated damages under this Act.
- 32.** Notwithstanding anything to the contrary in any other written law, where a lessor has instituted an action for the recovery of the possession of a premises and such action is pending on the date of commencement of this Act, such lessor shall be entitled to institute action under this Act for the recovery of the possession of such premises and other reliefs after the commencement of this Act. Actions pending on the date of commencement of this Act
- 33.** The provisions of this Act shall be in addition to and not in derogation of any other remedy that may be available in law to a lessor of a premises given on lease under a lease agreement, for the recovery of possession of such premises or for the recovery of any money, damages, utility bills or other payments from the lessee under such lease agreement. Saving other remedies
- 34.** (1) Nothing in the Rent Act, No. 7 of 1972 shall apply to, or in relation to, a lease agreement executed on or after the date of commencement of this Act. Non-applicability of the Rent Act
- (2) Nothing contained in section 29 of the Rent Act, No. 7 of 1972 shall preclude any person from instituting an action under this Act.
- 35.** Where any appointment is made in substitution of a party as his legal representative under Chapter XXV of the Civil Procedure Code, the person so appointed shall be treated as a party to the action, and every order, decree *nisi* Effect of legal representative being made a party

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or decree absolute made or anything done in the action instituted under this Act, including the recovery of possession of the premises given on lease to a deceased lessee and any recovery of damages shall be enforceable against such substituted party.

Offences by a
body of persons

36. Where an offence under this Act is committed by a body of persons, then-

- (a) if that body of persons is a body corporate, every director, manager or secretary of that body corporate;
- (b) if that body of persons is a firm, every partner of that firm, and
- (c) if that body of persons is an unincorporated body, every individual who is a member of such unincorporated body,

shall be deemed to have committed that offence:

Provided that any director, manager or secretary of such body corporate or any partner of such firm or any individual in such unincorporated body shall not be deemed to have committed such offence, if he proves that such offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

Regulations

37. (1) The Minister may, for the purpose of giving effect to the principles of this Act, make regulations in respect of any matter which is required by this Act to be prescribed or in respect of which regulations are required or authorized to be made under 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.

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(3) (a) Every regulation made by the Minister shall, within three months after its publication in the *Gazette*, be brought before Parliament for approval.

(b) 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 duly done thereunder.

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

38. In this Act, unless the context otherwise requires- Interpretation

“Appeal Court” means any court exercising civil appellate, revisionary or *restitutio in integrum* jurisdiction over orders or judgments of the District Court;

“Civil Procedure Code” means the Civil Procedure Code (Chapter 101);

“Court” means the District Court having jurisdiction;

“lease agreement” means any agreement involving the lessor of a premises and a lessee duly executed in terms of section 2 of the Prevention of Frauds Ordinance (Chapter 70) or an instrument of lease duly executed under the provisions of the Registration of Title Act, No. 21 of 1998, for which the stamp duty has been duly paid;

“legal interest” means interest calculated at the rate as determined and published by the Monetary Board under subsection (2) of section 192 of the Civil Procedure Code;

“lessee” means a person who acquires possession of a premises by way of an instrument duly executed before a notary public for the time being in force, and in the event of his death, includes his heirs, executor, administrator or legal representative;

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“lessor” means a person who transfers possession of a premises by way of an instrument duly executed before a notary public for the time being in force, and in the event of his death, includes his heirs, executor, administrator or legal representative;

“Minister” means the Minister assigned the subject of Justice;

“other person on his behalf” includes any agent of the defendant who is in charge of the premises which is the subject matter of the action;

“possession” includes being in physical occupation of the premises or having retained the keys of the premises;

“premises” means any building or part of a building together with the land appertaining thereto and includes a bare land without a building or a part of a multi-storied building;

“private process server” means a person employed by an Attorney-at-law or any institution, and who is registered as a private process server by the Fiscal of the Court under any written law;

“process officer” means-

- (a) the Fiscal assigned by the Court within the local limits of whose jurisdiction the decree *nisi* is to be served;
- (b) any other officer specially authorized in special circumstances by the Court to serve the decree *nisi*;
- (c) Grama Niladhari; or
- (d) a private process server;

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“public officer” shall have the same meaning as in Article 170 of the Constitution; and

“service charge” means any service charge or management fee payable by the owner of a condominium unit to the Management Corporation established in relation to such condominium property under the Apartment Ownership Law, No. 11 of 1973 or any service charge or management fee payable by the owner of a property to a management company or society where such property is situated within any property complex managed by such company or society and where such service charge is payable by the lessee under the relevant agreement between the lessor and the lessee.

39. 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

FORM OF DECREE *NISI* [section 5]
(*Title.*)

This action coming on for disposal before (*name and office of Judge*) on theday of, 20....., and after reading the plaint and documents and on being satisfied of the averments contained in the affidavit of (*name of the plaintiff*) dated, it is ordered and decreed that-

- (a) (*name of the defendant*), his servants, agents and all those holding possession of the premises described in the Schedule hereto under him be ejected from the premises;
- (b) (i) the above-named defendant do pay to the above-named plaintiff a sum of Rs.....being the arrears of lease rental prayed for in the plaint, (if applicable);

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- (ii) the above-named defendant do pay to the above-named plaintiff a sum of Rs..... being the arrears of service charge due up to..... and further service charge at the rate of Rs.per mensem from until the above-named plaintiff is restored to vacant possession of the premises described in the Schedule hereto, (if applicable);
- (iii) the above-named defendant do pay to the above-named plaintiff a sum of Rs..... being the liquidated damages at the rate of Rs. per month/quarter/year from until the above-named plaintiff is restored to vacant and peaceful possession of the premises described in the Schedule hereto, (if applicable),

and interest at the legal rate on such sums from..... until payment in full together with costs of action.

These are therefore to command the Fiscal of theProvince to enter and to have possession of the premises described in the Schedule hereto, to eject the above-named defendant, his servants, agents and all those holding under him from the premises described in the Schedule hereto, deliver vacant possession to the plaintiff or any person authorized by the plaintiff and levy and make of the houses, lands, goods, debts and credits of the above-named defendant by seizure, and if necessary, by sale thereof, the sums mentioned above which the above-named plaintiff has to recover against the said defendant by this decree of Court, and have that money before the Court within days of this decree *nisi* being made absolute and inform this Court for what sum or sums and to what person or persons the Fiscal of theProvince has sold the property respectively and this decree *nisi*, when made absolute, shall serve as a mandate for such purpose.

It is further ordered that the above-named defendant shall appear before this Court on the.....day of, 20.....at (time).....and make an application seeking leave from the Court to appear and show cause, if any, why this decree *nisi* should not be made absolute. Where leave is so granted to appear and show cause and sufficient security as determined by Court is deposited, the said defendant is permitted to appear and show cause against the decree *nisi*. However, if no application is made or where an application is made and leave to appear and show cause is not granted, for reasons assigned, the decree *nisi* shall be made absolute against the said defendant.

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The Schedule of the premises above referred to

(Signed).....
(Name and office of Judge)

On thisday of, 20.....

SECOND SCHEDULE

[sections 9(2) and 9(5)]

FORM OF PRECEPT TO A PROCESS OFFICER/ FISCAL/GRAMA
NILADHARI/PRIVATE PROCESS SERVER TO SERVE DECREE
NISI
(Title.)

To the Fiscal/Grama Niladhari of the.....,

....., Private Process Server,

..... Court of,

Serve forthwith the decree *nisi* in the above-named action, which, with duplicates, is herewith transmitted to you, upon each of the persons to whom it is directed, and leave with or tender to each such person a duplicate decree *nisi* and one of the copies of the plaint which accompany the decree *nisi*.

It shall be your duty when serving the decree *nisi* on the defendant or any other person on his behalf, to endeavour to obtain the signature or the thumb impression or both of such defendant or such person in acknowledgment of the service of the decree, on the original precept.

If you are unable to serve the decree *nisi* in exercising due diligence, you are hereby authorized to affix the decree *nisi* in some conspicuous part of the premises which is the subject matter of the action given in the Schedule of the plaint, without any further direction of the Court and in every such case, you shall report to the Court that you served the decree *nisi* by affixing the decree *nisi* in a conspicuous place of the premises in suit.

You are hereby directed to certify to this Court within ten (10) days from the date hereof by way of a report, setting out in detail of the manner, the person, place and other particulars relating to the identity of the person on whom the decree *nisi* was served, the date on which, and the time at which, the decree *nisi* was served and also state in the report, whether the person on whom it was served placed his signature or thumb impression or both or refused to place the signature or thumb impression or both on the original precept and to attach to your certificate the original precept as an exhibit.

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By order of Court,

(Signed)
Registrar,

District Court of

On thisday of....., 20.....

THIRD SCHEDULE

FORM OF REGISTER

[Section 29]

No. of action	Name of plaintiff	Name of defendant	Premises in suit	Date of decree nisi	Date of decree absolute/discharge	Date of satisfaction of decree	Any other matter

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

**BUREAU OF REHABILITATION
ACT, No. 2 OF 2023**

[Certified on 24th of January, 2023]

Printed on the Order of Government

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Bureau of Rehabilitation Act, No. 2 of 2023

[Certified on 24th of January, 2023]

L.D.— O. 8/2018

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A BUREAU TO BE CALLED AND KNOWN AS THE BUREAU OF REHABILITATION; TO REGULATE ITS POWERS, DUTIES AND FUNCTIONS AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

WHEREAS having regard to the need and the importance of regulating the rehabilitation of those who have become drug dependant persons and such other persons as may be identified in terms of any other law and it has become a serious problem and a national issue: Preamble

AND WHEREAS the office of the Commissioner-General of Rehabilitation has already been created under the provisions of Public Security Ordinance (Chapter 40) and Prevention of Terrorism (Temporary Provisions) Act, No. 48 of 1979:

AND WHEREAS, it has become a matter of national importance to establish a Bureau for the purpose of rehabilitating the above said persons:

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 Bureau of Rehabilitation Act, No. 2 of 2023, and the provisions of this Act other than this section shall come into operation on such date as the Minister may appoint by Order published in the *Gazette* (hereinafter referred to as the “appointed date”). The provisions of this section shall come into operation on the date on which this Act becomes an Act of Parliament. Short title and date of operation

PART I

ESTABLISHMENT OF THE BUREAU OF REHABILITATION

2. (1) There shall be established a Bureau which shall be called the “Bureau of Rehabilitation” (hereinafter referred to as the “Bureau”). Establishment of the Bureau of Rehabilitation

(2) The Bureau 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.

Objective of the Bureau

3. The objective of the Bureau shall be to rehabilitate drug dependant persons or any other person as may be identified by law as a person who requires rehabilitation and which may include treatment and adoption of various therapies in order to ensure effective reintegration and reconciliation, through developing socio-economic standards.

Powers, duties and functions of the Bureau

4. The powers, duties and functions of the Bureau shall be to –

- (a) provide treatment and rehabilitation to drug dependant persons, who in terms of the Drug Dependand Persons (Treatment and rehabilitation) Act, No. 54 of 2007 request treatment and rehabilitation or are required by such law to be provided with treatment and rehabilitation;
- (b) provide rehabilitation to any person who in terms of a relevant law, requests rehabilitation or is required by such law to be provided with rehabilitation;
- (c) enhance the employability of persons undergoing treatments and rehabilitation, minimizing the risk of socio-economic marginalization;
- (d) engage in an organized manner, the potentials of persons who are undergoing treatments and rehabilitation to use them productively to enhance the economy;
- (e) advice the Minister with regard to programmes for rehabilitation, treatment and aftercare having regard to the basic norms of Human Rights;

(f) review, monitor and provide any other assistance to persons who have re-integrated into the society after treatments and rehabilitation;

(g) receive grants, gifts or donations in cash or kind:

Provided however, the Bureau shall obtain the prior written approval of the Department of External Resources of the Ministry of the Minister assigned the subject of Finance, in respect of all foreign grants, gifts or donations made to the Bureau;

(h) open and maintain any account with any bank as it may think appropriate and such account shall be operated in accordance with prevailing applicable written laws;

(i) manage, control, administer and operate the Fund of the Bureau;

(j) invest such amount of money belonging to the Bureau as are not immediately required for the purposes of this Act;

(k) acquire, hold, take or give on lease or hire, mortgage, pledge, sell or otherwise dispose of any movable or immovable property;

(l) enter into and perform either directly or indirectly through any officer or agent of the Bureau, all such contracts or agreements as may be necessary, for the exercise of the powers and the carrying out of its functions;

(m) make rules in respect of the administration of the affairs of the Bureau;

(n) establish and maintain Centers for Rehabilitation:

Provided however, the centers established for the rehabilitation of drug dependant persons to be established and maintained under the direction of the National Dangerous Drugs Control Board;

- (o) conduct training programs relating to rehabilitation; and
- (p) do all such other acts which may be incidental or conducive to the attainment of the objective of this Act or the exercise of the powers assigned to the Bureau under this Act.

PART II

ADMINISTRATION AND MANAGEMENT OF AFFAIRS OF THE BUREAU

Administration and management of the Bureau vested in the Council

5. (1) The administration, management and control of the affairs of the Bureau shall be vested in a Governing Council (in this Act referred to as the “Council”).

(2) The Council shall, for the purpose of administering the affairs of the Bureau, exercise, perform and discharge the powers, duties and functions conferred on, assigned to or imposed on the Bureau by this Act.

Constitution of the Council

6. The Council shall consist of–

(a) the following *ex-officio* members, namely–

- (i) a representative of the National Dangerous Drugs Control Board;
- (ii) the Secretary to the Ministry of the Minister assigned the subject of Defence or his representative not below the rank of an Additional Secretary of that Ministry;

- (iii) the Secretary to the Ministry of the Minister to whom the Bureau of Rehabilitation is assigned under Article 44 or 45 of the Constitution or his representative not below the rank of an Additional Secretary of that Ministry;
 - (iv) the Secretary to the Ministry of the Minister assigned the subject of Health or his representative not below the rank of an Additional Secretary of that Ministry;
 - (v) the Secretary to the Ministry of the Minister assigned the subject of Education or his representative not below the rank of an Additional Secretary of that Ministry; and
 - (vi) the Inspector General of Police or his representative not below the rank of a Deputy Inspector General of Police; and
- (b) the following five members appointed by the Minister:-
- (i) two persons who shall possess academic and professional qualifications and have experience in the fields of rehabilitation,
 - (ii) two persons who shall possess academic and professional qualifications and have experience in the field of social integration; and

- (iii) a person who shall possess academic and professional qualifications and has experience in the field of law and order,

(hereinafter referred to as “appointed members”).

Chairperson of the Council

7. (1) The Minister shall appoint one of the appointed members to be the Chairperson of the Council.

(2) The Chairperson may resign from his office by letter addressed to the Minister and such resignation shall be effective from the date on which it is accepted by the Minister.

(3) The Minister may for reasons assigned remove the Chairperson from the office of Chairperson.

(4) Subject to the provisions of subsections (2) and (3), the term of office of the Chairperson shall be the period of his membership of the Council.

(5) Where the Chairperson is temporarily unable to exercise, perform and discharge the powers, duties and functions of his office due to ill health, other infirmity, absence from Sri Lanka or any other cause, the Minister may appoint any other appointed member to act as the Chairperson in addition to his normal duties as an appointed member.

Disqualifications from being a member of the Council

8. A person shall be disqualified from being appointed or continuing as a member of the Council, if he –

- (a) is or becomes a member of Parliament or of any Provincial Council or of any local authority;
- (b) is not or ceases to be a citizen of Sri Lanka;
- (c) is under any law in force in Sri Lanka or any other country found or declared to be of unsound mind;

- (d) is a person who having been declared insolvent or bankrupt under any law in force in Sri Lanka and is an undischarged insolvent or bankrupt;
- (e) is subject to an ongoing investigation in respect of an offence involving dangerous drugs, narcotic drugs or psychotropic substances or fraud;
- (f) is serving or has served a sentence of imprisonment of more than six months imposed by any court in Sri Lanka or any other country;
- (g) holds or enjoys any right or benefit under any contract made by or on behalf of the Bureau; or
- (h) has any financial or other interest as is likely to affect prejudicially the discharge by him of his functions as a member of the Council.

9. Every appointed member of the Council shall, unless he vacates office earlier by resignation, death or removal, hold office for a period of three years from the date of his appointment and unless removed from office shall be eligible for reappointment for not more than one further term, whether consecutive or otherwise.

Term of office

10. (1) Any appointed member of the Council may at any time, resign from his office by a letter to that effect, addressed to the Minister, and such resignation shall be effective from the date on which it is accepted by the Minister in writing.

Resignation and removal

(2) Where any appointed member by reason of illness, infirmity or absence from Sri Lanka is temporarily unable to discharge the functions of his office, the Minister may, having regard to the provisions of paragraph (b) of section 6, appoint some other person to act in his place.

(3) The Minister may for reasons assigned, remove an appointed member from office. An appointed member who has been removed from office shall not be eligible for reappointment as a member of the Council or to serve the Council in any other capacity.

(4) Where an appointed member dies, resigns or is removed from office, the Minister may having regard to the provisions of paragraph (b) of section 6, appoint another person in his place and the person so appointed shall hold office for the unexpired period of the term of office of the member whom he succeeds.

Quorum and meetings of the Council

11. (1) The meetings of the Council shall be held at least once in every month and the quorum for a meeting of the Council shall be seven members.

(2) The Chairperson shall preside at every meeting of the Council. In the absence of the Chairperson from any meeting of the Council, a member elected by the members present shall preside at such meeting.

(3) A meeting of the Council may be held either-

(a) by the number of members who constitute a quorum being assembled at the place, date and time appointed for the meeting; or

(b) by means of audio-visual communication by which all members participating and constituting a quorum can simultaneously see and hear each participating member for the duration of the meeting.

(4) All questions for a decision at any meeting of the Council shall be decided by the vote of the majority of members present at such meeting. In the case of an equality of votes, the Chairperson shall, in addition to his vote have a casting vote.

(5) Subject to the preceding provisions of this section, the Council may regulate the procedure in relation to the meetings of the Council and the transaction of business at such meetings.

12. The Council may act notwithstanding any vacancy among its members and any act or proceeding of the Council shall not be or deemed to be invalid by reason only of the existence of any vacancy among its members or any defect in the appointment of a member thereof.

Acts or proceedings of the Commission deemed not to be invalid by reason of any vacancy

13. The members of the Council shall be paid remuneration in such manner and at such rates as may be determined by the Minister, with the concurrence of the Minister assigned the subject of Finance.

Remuneration of the members of the Council

14. (1) The seal of the Bureau shall be in the custody of such person as the Council may decide from time to time.

Seal of the Bureau

(2) The seal of the Bureau may be altered in such manner as may be determined by the Council.

(3) The seal of the Bureau shall not be affixed to any instrument or document except with the sanction of the Council and in the presence of the Chairperson and one other member of the Council who shall sign the instrument or document in token of their presence:

Provided however, where the Chairperson is unable to be present at the time when the seal of the Bureau is affixed to any instrument or document, any other member of the Council authorised in writing by the Chairperson in that behalf shall be competent to sign such instrument or document in accordance with the preceding provision of this subsection.

(4) The Bureau shall maintain a register of the instruments and documents to which the seal of the Bureau has been affixed.

PART III

CHIEF EXECUTIVE OFFICER AND THE STAFF OF THE BUREAU

Appointment of
the Chief
Executive
Officer of the
Bureau

15. (1) There shall be a Chief Executive Officer of the Bureau who shall be called and known as the Commissioner-General of Rehabilitation (hereinafter referred to as the “Commissioner- General”), appointed by the Council in consultation with the Minister and on the recommendation of the Minister assigned the subject of Defence. The Commissioner- General, unless he vacates office earlier by death, by operation of law, resignation or removal shall hold office for a term of two years and shall be eligible for reappointment subject to a maximum period of any two terms of office whether consecutive or otherwise.

(2) The Commissioner- General shall subject to the general directions and supervision of the Council—

- (a) be charged with the administration of the affairs of the Bureau and all the Centres established under it including the administration and control of the staff;
- (b) be responsible for the execution of all decisions of the Council; and
- (c) carry out all such functions as may be assigned to him by the Council.

(3) The Commissioner- General shall be present and speak at any meeting of the Council, but shall not be entitled to vote at such meeting.

(4) The Commissioner- General may, with the approval of the Council, wherever he considers it necessary to do so, delegate in writing to any officer or employee of the Bureau, any of his powers, duties or functions conferred or imposed on, or assigned to him by this Act and the officer or employee to whom any such power, duty or function is delegated shall exercise, perform or discharge them subject to the directions of the Commissioner - General.

(5) The Council may remove the Commissioner-General from office –

- (a) if he becomes permanently incapable of performing his duties;
- (b) if he had done any act which the Council has decided to be of a fraudulent or illegal character or is prejudicial to the interests of the Bureau; or
- (c) has failed to comply with any direction issued by the Council.

(6) The Commissioner-General shall be paid such remuneration as may be determined by the Council.

16. (1) Subject to the provisions of this Act, the Bureau may employ or appoint such officers and employees as may be necessary for the efficient exercise, performance and discharge of its powers, duties and functions.

Staff of the
Bureau

(2) The Council shall have the power subject to the provision of the Act to –

- (a) exercise disciplinary control over and dismiss the officers and employees of the Bureau appointed under subsection (1);
- (b) determine the terms and conditions of service of officers and employees of the Bureau appointed under subsection (1); and

- (c) fix the rates at which such officers and employees shall be remunerated with the concurrence of the Minister assigned the subject of Finance.

(3) All officers and employees of the Bureau shall, within one month of employment, declare in writing to the Bureau of their personal direct or indirect interest to the affairs and transactions of the Bureau including those of their close relations or, concerns in which such officer or employee has a substantial interest.

(4) The Bureau may establish and regulate pension and provident funds and schemes for the benefit of the Commissioner- General and its officers and employees and their dependants and nominees with the concurrence of the Minister assigned the subject of Finance and may make contributions to any such fund or scheme.

(5) The Bureau shall promote and sponsor the training of its officers and employees and for this purpose, the Bureau shall be authorised to defray the costs of study, in Sri Lanka or abroad of the officers and employees of the Bureau who are of proven merit as determined by the Bureau.

(6) The Bureau shall establish a code of conduct which shall be applicable to the officers and employees of the Bureau.

(7) The Bureau shall not appoint any person to the staff of the Bureau under subsection (1), where such person—

- (a) has been previously found guilty of serious misconduct by a court or tribunal or has been subject to a disciplinary action by a regulatory body;
- (b) has been previously dismissed from office; or
- (c) has committed a breach of the provisions of this Act, regulations or rules made thereunder.

(8) At the request of the Bureau any officer in the public service may, with the consent of the officer and the Public Service Commission established by the Constitution be temporarily appointed to the Bureau for such period as may be determined by the Bureau or with like consent, be permanently appointed to such staff.

(9) Where any officer in the public service is temporarily appointed to the staff of the Bureau, 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 such officer.

(10) Where any officer in the public service is permanently appointed to the staff of the Commission, 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 such officer.

(11) Where the Bureau employs any person who has agreed to serve the Government for a specified period, any period of service to the Bureau by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such agreement.

(12) The Bureau may with the consent of such officer or employee propose secondment of its officers or employees to other state institutions or regulatory authorities in Sri Lanka or abroad for a period determined by the Bureau on an assignment agreed upon between such institution or the authority and the Bureau. The period of secondment shall be deemed to be considered as service to the Bureau.

17. The Services of any Medical Officer or any other officer or employee of the Department of Health or any university or any medical practitioner or any other competent person engaged in a similar service, may be obtained, subject to the approval of the Director-General of Health Services, or other relevant authority as the case may be, to assist in the Centres for Rehabilitation established under this Act.

Use of services
of officers of
Department of
Health, etc.

PART IV

FINANCE

Fund of the
Bureau

18. (1) The Bureau shall have its own Fund (hereinafter referred to as “the Fund”).

(2) All money lying to the credit of the Commissioner - General of Rehabilitation on the day immediately preceding the appointed date shall be transferred to the Fund with effect from the appointed date.

(3) There shall be credited to the Fund –

- (a) all sums of money as may be voted from time to time by Parliament, for the use of the Bureau;
- (b) all such sums of money as may be received by the Bureau in the exercise and discharge of its powers, duties and functions under this Act; and
- (c) all such sums of money as may be received by the Bureau by way of income, fees, charges, grants, gifts or donations from any source whatsoever whether within or outside Sri Lanka:

Provided that, the Bureau shall obtain the prior written approval of the Department of External Resources of the Ministry of the Minister assigned the subject of Finance, in respect of all foreign grants, gifts or donations made to the Bureau.

(4) There shall be paid out of the Fund –

- (a) all such sums of money as are required to defray any expenditure incurred by the Bureau in the exercise, performance and discharge of its powers, duties and functions under this Act; and

(b) all such sums of money as are required to be paid out of the Fund by or under this Act.

19. (1) The financial year of the Bureau shall be the calender year. Financial year and audit of accounts

(2) The Council shall cause proper books of accounts to be kept of the income and expenditure, assets and liabilities and all other transactions of the Bureau.

(3) The provisions of Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to the audit of accounts of the Bureau.

(4) The Council shall submit the audited statement of accounts together with the auditor's report to the Minister within one hundred and fifty days of the end of the financial year to which such report relates. The Minister shall place such statement and the report before Parliament within two months of the receipt thereof.

PART V

GENERAL

20. (1) The Council may in writing and subject to such conditions as may be specified therein, delegate to the Commissioner-General the powers, duties and functions conferred on the Council under paragraphs (a) and (b) of subsection (2) of section 16 and subsection (2) of section 19 and the Commissioner-General shall exercise, perform and discharge such powers, duties and functions in the name and on behalf of the Council. Delegation of the powers of the Council

(2) The Council may, notwithstanding any delegation made under subsection (1), by itself exercise, perform or discharge any power, duty or function so delegated and may at any time revoke any such delegation.

Protection of officers of the Bureau from suit or prosecution

21. (1) A liability, whether civil or criminal, shall not be attached to any officer of the Bureau or to any officer authorised by such officer, for anything which in good faith is done in the exercise, performance or discharge of any power, duty or function imposed or conferred on the Bureau under this Act.

(2) Any expense incurred by the Bureau in any suit or prosecution brought by or against the Bureau before any court shall be paid out of the Consolidated Fund, and any costs paid to, or recovered by, the Bureau in any such suit or prosecution shall be credited to the Consolidated Fund.

(3) Any expense incurred by any such person 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 any appropriate instrument, or on the direction of the Bureau, shall, if the court holds that the act was done in good faith, be paid out of the Consolidated Fund, unless such expense is recovered by him in such suit or prosecution.

Centres for Rehabilitation

22. (1) For the purposes of this Act, the Minister may, by Order published in the *Gazette*, establish Centres for Rehabilitation for the treatment and rehabilitation of drug dependant persons and such persons who are identified by law and whose rehabilitation is provided for by law:

Provided, the Treatment Centres established under this Act to provide treatment and rehabilitation to drug dependant persons shall be published in the *Gazette* under the provisions of section 2 of the Drug Dependand Persons (Treatment and Rehabilitation) Act, No. 54 of 2007 and shall be subjected to the provisions of that Act.

(2) It shall be the duty of every Magistrate to visit every Centre for Rehabilitation situated within the judicial division in respect of which he is appointed, at least once in every

month to ensure that the persons undergoing rehabilitation at the Centre are protected to the extent provided for in the Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment Act, No. 22 of 1994.

(3) For the purposes of subsection (2), the Magistrate who visits the Centre for Rehabilitation shall-

- (a) personally see the person undergoing rehabilitation, and look into his well-being, welfare and conditions under which such person is kept at such Centre and may examine the records and log books maintained at the Centre; and
- (b) record his observations and any complaint the person undergoing rehabilitation may make.

(4) Where the Magistrate is of the opinion, that the persons undergoing rehabilitation may have been subjected to torture, the Magistrate may direct that the person undergoing rehabilitation be produced before a Judicial Medical Officer or a Government Medical Officer for medical examination, and a report be submitted by such Medical Officer to the Magistrate.

(5) Where the report of such Medical Officer reveals that the person undergoing rehabilitation has been subjected to torture, the Magistrate shall make an appropriate order including an order that such person be immediately admitted to a Government hospital for medical treatment and that the officer-in-charge of such Centre immediately inform the court that made the order for the rehabilitation of such person of the findings of the Government Medical Officer.

(6) The Magistrate shall also direct the Inspector General of Police to commence an investigation into the alleged torture in order to enable the Attorney-General to institute criminal proceedings against the person who is alleged to have committed the torture.

(7) The Human Rights Commission of Sri Lanka may on its own volition or on a complaint received, visit every Centre to ensure that the rights of the persons undergoing rehabilitation at the Centre are protected to the extent provided by law, and make appropriate recommendations in terms of the Human Rights Commission of Sri Lanka Act, No. 21 of 1996.

Supply of drugs

23. Any person without authority introduces or attempts to introduce into any Centre for Rehabilitation, or supplies or attempts to supply any person in such Centre with a dangerous drug, narcotic drug or psychotropic substance or any unauthorised article as may be prescribed, commits an offence under this Act and shall be liable on conviction after summary trial by a Magistrate to a fine not exceeding five hundred thousand rupees or to imprisonment of either description for a period not exceeding two years or to both such fine and imprisonment.

Duty to maintain secrecy

24. (1) Every member of the Council, the Commissioner-General and every officer or employee of the Bureau shall, before entering into the duties of his office sign a declaration that he will not disclose any information received by him or coming to his knowledge in the exercise, performance and discharge of his powers, duties and functions under this Act, except for the purpose of giving effect to the provisions of this Act or the provisions of the Right to Information Act, No. 12 of 2016 .

(2) All records pertaining to such person in the custody of a Centre for Rehabilitation shall be confidential and shall not be released except-

- (a) upon request by such person or the next of kin of such person or an Attorney-at-law representing such person; or
- (b) on an order of court or in connection with an investigation in respect of the commission of an offence:

Provided that, such person or unless such person has instructed not to share the information, the next of kin of such person or an Attorney-at-Law representing such person shall be entitled to receive information pertaining to the person in the custody of the Rehabilitation Centre, including information relating to the treatment or rehabilitation of such person.

(3) Any person who contravenes the provisions of subsection (2) commits an offence under this Act, and shall be liable on conviction after summary trial by a Magistrate to a fine not exceeding one hundred thousand rupees or to imprisonment of either description for a term not exceeding twelve months or to both such fine and imprisonment.

25. Any person employed in a Centre for Rehabilitation who strikes, wounds or willfully neglects any person under rehabilitation commits an offence under this Act and shall be liable on conviction after summary trial by a Magistrate to a fine not exceeding two hundred thousand rupees or imprisonment of either description for a period not exceeding eighteen months or to both such fine and imprisonment.

Striking etc. of persons under treatment

26. Any person who unlawfully obstructs or attempts to unlawfully obstruct any person employed in any Centre for Rehabilitation in the performance of his lawful duties under this Act, commits an offence under this Act and shall be liable on conviction after summary trial by a Magistrate to a fine not exceeding fifty thousand rupees or to imprisonment of either description for a period not exceeding six months or to both such fine and imprisonment.

Obstruction of employees an offence

27. (1) Where any person undergoing rehabilitation in a Centre for Rehabilitation established under the provisions of this Act, escapes from such Centre, he may be apprehended by any police officer, or any officer appointed under this Act and immediately returned to the Centre for Rehabilitation.

Apprehension of persons escaping

(2) It shall be the duty of any person employed in a Centre for Rehabilitation to preserve order and discipline among the persons undergoing rehabilitation in the Centre and for such purpose it shall be lawful for such person to use minimum force as may reasonably be necessary to compel obedience to any lawful directions given by him.

(3) It shall be the duty of the Commissioner-General of Rehabilitation, or a person duly authorised by him to immediately inform the Magistrate within the judicial division in which such Centre is located of any exercise of powers under subsections (1) and (2).

Penalties for contraventions for which no specific provisions have been made

28. Where any person contravenes any provision of this Act or any regulation made thereunder and no penalty has been specified under this Act in respect of such contravention, such person shall, on conviction after summary trial by a Magistrate, be liable to a fine not exceeding fifty thousand rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.

Database

29. (1) The Bureau shall create, manage and maintain a database which will include all particulars of the rehabilitees. Such database shall also include details of previous rehabilitation assistance that each rehabilitee may have received from any other State Authority or agency, details relating to the rehabilitation that a person has undergone as part of the rehabilitation process and any other matter as may be prescribed by regulations.

(2) The Bureau shall take all necessary steps including technical safeguards to ensure the security of all its databases and data.

Bureau deemed to be a Scheduled Institution within the meaning of the Bribery Act

30. The Bureau shall be deemed to be a Scheduled Institution within the meaning of the Bribery Act (Chapter 26) and the provisions of that Act shall be construed accordingly.

31. All members of the Council, the Commissioner-General and all officers and employees of the Bureau shall be deemed to be public servants within the meaning and for the purposes of the Penal Code (Chapter 19).

Members,
Commissioner-
General,
officers and
employees of
the Bureau
deemed to be
public servants

32. The Minister may from time to time issue to the Council general or special directions as to the exercise, performance and discharge of the powers, duties and functions of the Council.

Directions of
the Minister

33. (1) Subject to the provisions of this Act, the Council may make rules in respect of all or any of the following matters:-

Rules

- (a) all matters for which rules are authorised or required to be made under this Act;
- (b) the meetings of the Council and the procedure to be followed at such meeting;
- (c) the appointment, promotion, remuneration and disciplinary control of officers and employees and the grant of leave and other emoluments to officers and employees; and
- (d) any matter connected with the affairs of the Bureau:

Provided that, the Council shall not have the power to make rules in respect of any matter for which regulations are required to be made in terms of this Act.

(2) Every rule made by the Bureau shall be approved by the Minister and published in the *Gazette* and shall come into operation on the date of its publication or on such later date as may be specified therein.

34. (1) The Minister may make regulations for the purpose of carrying out and giving effect to the provisions of this Act.

Regulations

(2) In particular and without prejudice to the generality of the powers conferred on subsection (1), the Minister may make regulations in respect of the following:-

- (a) the maintenance of Centres for Rehabilitation;
- (b) the programmes for rehabilitation, treatment, aftercare and support services in respect of each category of persons who will be rehabilitated by the Bureau;
- (c) the terms and conditions relating to the release of persons admitted to a Centre for Rehabilitation; and
- (d) the maintenance of a database, records and log books at Centres for Rehabilitation:

Provided that, the Minister shall obtain the concurrence of the National Dangerous Drugs Control Board, when any regulation in relation to the Centres for Rehabilitation for the treatment and rehabilitation of drug dependant persons is made:

Provided further, that the Minister shall obtain the concurrence of the Council appointed under this Act before making regulations under this Act.

(3) Every regulation made by the Minister shall be published in the *Gazette* and shall be brought before Parliament for approval as soon as may be convenient. Such Regulations shall come into force upon its approval by Parliament or any subsequent date as may be specified by Parliament.

(4) Notification of the date on which any regulation is so disapproved shall be published in the *Gazette*.

Savings

35. Notwithstanding anything to the contrary in any other written law—

- (a) all movable and immovable property of the Commissioner-General of Rehabilitation on the day immediately preceding the appointed date shall on and after the appointed date be deemed to be the movable and immovable property of the Bureau;
- (b) the Commissioner-General of Rehabilitation holding office immediately preceding the appointed date shall be deemed to have been appointed as such under this Act and continue to hold office until the end of his tenure or until a new Commissioner- General is appointed under this Act;
- (c) all officers and employees of the Commissioner-General of Rehabilitation holding office on the day immediately preceding the appointed date be deemed to be the officers and employees of the Bureau and such officers and employees shall continue to hold office in the Bureau on the same terms and conditions enjoyed by them under the Commissioner-General of Rehabilitation immediately preceding the appointed date;
- (d) all contracts, deeds, bonds, agreements, guarantees, powers of attorney, grants of legal representation and other instruments of whatever nature of the Commissioner- General of Rehabilitation subsisting and having effect on the day immediately preceding the appointed date and to which Commissioner General of Rehabilitation is a party or which are in favour of the Commissioner-General of Rehabilitation on and after the appointed date be deemed to be contracts, deeds, bonds, agreements, guarantees, powers of attorney, grants of legal representation and other instruments entered into by or granted in favour of the Bureau;

- (e) unless specifically revoked or substituted in the manner provided for in any other law, all approvals or licences granted to the Commissioner-General of Rehabilitation by any regulatory body or authority, Provincial Council or local authority subsisting or having effect on the day immediately preceding the appointed date shall on and after the appointed date be deemed to be approvals or licences granted to the Bureau;
- (f) all Judgments, decrees or orders entered in favour of or against the Commissioner-General of Rehabilitation by any court in any action or proceeding shall on and after the appointed date be deemed to be judgments, decrees or orders entered in favour of or against the Bureau; and
- (g) all Protective Accommodation and Rehabilitation Centres approved and maintained under the Commissioner- General of Rehabilitation shall on and after the appointed date be deemed to be Centres for Rehabilitation established under the provisions of this Act.

Interpretation

36. In this Act, unless the context otherwise requires–

“dangerous drug” means any drug, substance, article or preparation specified in Part I of the Third Schedule to Poisons, Opium and Dangerous Drugs Ordinance (Chapter 218);

“drug dependant person” means a person to whom the Drug Dependand Persons (Treatment and Rehabilitation) Act, No. 54 of 2007 applies;

“Minister” means the Minister assigned the subject of the Bureau of Rehabilitation under Article 44 or 45 of the Constitution;

“narcotic drug” shall include the drugs specified in the Third Schedule of the Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, No. 1 of 2008;

“National Dangerous Drugs Control Board” means the National Dangerous Drugs Control Board established by the National Dangerous Drugs Control Board Act, No. 11 of 1984;

“psychotropic substances” shall include the substances specified in the Fourth Schedule of the Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, No. 1 of 2008;

“rehabilitation” means the procedures and programmes for rehabilitation, treatment, aftercare and support services that shall be prescribed by regulations made under this Act.

37. 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 ELECTION EXPENDITURE
ACT, No. 3 OF 2023**

[Certified on 24th of January, 2023]

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*Regulation of Election Expenditure
Act, No. 3 of 2023*

[Certified on 24th of January, 2023]

L.D.-O. 30/2018

AN ACT TO REGULATE THE EXPENDITURE INCURRED BY RECOGNIZED POLITICAL PARTIES, INDEPENDENT GROUPS AND CANDIDATES AT EVERY ELECTION CONDUCTED UNDER THE LOCAL AUTHORITIES ELECTIONS ORDINANCE (CHAPTER 262); THE PROVINCIAL COUNCILS ELECTIONS ACT, No. 2 OF 1988; THE PARLIAMENTARY ELECTIONS ACT, No. 1 OF 1981 AND THE PRESIDENTIAL ELECTIONS ACT, No. 15 OF 1981 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 Regulation of Election Expenditure Act, No. 3 of 2023.</p> | Short title |
| <p>2. The provisions of this Act shall apply to every election conducted under –</p> <p style="margin-left: 40px;"><i>(a)</i> the Local Authorities Elections Ordinance (Chapter 262);</p> <p style="margin-left: 40px;"><i>(b)</i> the Provincial Councils Elections Act, No. 2 of 1988;</p> <p style="margin-left: 40px;"><i>(c)</i> the Parliamentary Elections Act, No. 1 of 1981; and</p> <p style="margin-left: 40px;"><i>(d)</i> the Presidential Elections Act, No. 15 of 1981.</p> | Application of this Act |
| <p>3. (1) Within a period of five days after the conclusion of the period of nomination specified in the Proclamation or Order requiring the conduct of an election under any law specified in section 2, the Election Commission shall, in consultation with the recognized political parties, and the independent groups contesting such election, fix by Order published in the <i>Gazette</i>, a sum of money in Sri Lankan rupees to be used for the purpose of calculating an authorized amount, in accordance with the provisions of this section, for such election:</p> | Authorized amount |

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Act, No. 3 of 2023

Provided however, in the case of a presidential election, every candidate who has not been nominated by a political party shall be consulted.

(2) Such sum of money to be fixed under subsection (1) shall be calculated taking into consideration the prevailing inflation rate and the National Consumer Price Index of Sri Lanka.

(3) The authorized amount in relation to a candidate shall be calculated as follows:-

- (a) in the case of an election conducted under the Local Authorities Elections Ordinance (Chapter 262), the amount in Sri Lankan rupees resulting from the multiplication of the total number of registered voters in the ward of the local authority contested by the candidate, by such amount of Sri Lankan rupees as may be fixed for that election by the Election Commission under subsection (1);
- (b) in the case of an election conducted under the Provincial Councils Elections Act, No. 2 of 1988, the amount in Sri Lankan rupees resulting from the multiplication of the total number of registered voters in the administrative district contested by the candidate, by such amount of Sri Lankan rupees as may be fixed for that election by the Election Commission under subsection (1);
- (c) in the case of an election conducted under the Parliamentary Elections Act, No. 1 of 1981, the amount in Sri Lankan rupees resulting from the multiplication of the total number of registered voters in the electoral district contested by the candidate, by such amount of Sri Lankan rupees as may be fixed for that election by the Election Commission under subsection (1);

(d) in the case of an election conducted under the Presidential Elections Act, No. 15 of 1981, the amount in Sri Lankan rupees resulting from the multiplication of the total number of registered voters in the electoral districts in the Island, by such amount of Sri Lankan rupees as may be fixed for that election by the Election Commission under subsection (1).

(4) The authorized amount in relation to recognized political parties and independent groups shall be calculated by taking into consideration the sum of money referred to in subsection (1), the total number of registered voters in the local authority area or the administrative district or the electoral district or the electoral districts in the Island as the case may be, contested by each recognized political party or independent group at an election conducted under any law specified in section 2 and the number of candidates nominated by such recognized political party or independent group to contest such election.

(5) The authorized amount calculated in accordance with the provisions of subsections (3) and (4), shall be published in the *Gazette* on the same day, on which the Order under subsection (1) is published in the *Gazette*.

(6) The consultation process referred to in subsection (1) may be conducted by the Election Commission through the relevant returning officers.

4. (1) A recognized political party, an independent group and a candidate at an election conducted under any law specified in section 2, shall not incur expenditure in excess of the authorized amounts referred to in subsections (3) and (4) of section 3 as the case may be, in respect of such election.

Restriction on election expenditure by a recognized political party, an independent group and a candidate

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(2) Where a candidate incurs expenditure in excess of the authorized amount referred to in subsection (3) of section 3 in respect of such election, such candidate commits an offence of an illegal practice within the meaning of the law specified in section 2 under which such election was conducted and, shall be liable to the penalties imposed under such law in respect of the offence of an illegal practice, unless such candidate proves that such expenditure was incurred without any sanction or connivance of such candidate.

Prohibition on
the acceptance
of certain
donations

5. (1) A recognized political party, an independent group and a candidate at an election conducted under any law specified in section 2, shall not, directly or indirectly accept or receive a donation or contribution whether such donation or contribution is in cash or kind from-

- (a) a government department, a public corporation or a company incorporated under the Companies Act, No.7 of 2007 or under any former written law relating to companies in which the government or a public corporation owns any shares;
- (b) a foreign government, an international organization or a body corporate incorporated or registered outside Sri Lanka;
- (c) a company incorporated in Sri Lanka under the Companies Act, No. 7 of 2007 or under any former written law relating to companies where the foreign shareholding in such company, either direct or indirect, is fifty percent or above; or
- (d) any person whose identity is not disclosed,

for the purpose of promoting or procuring the election of such recognized political party, independent group or candidate at such election.

(2) A candidate who contravenes the provisions of subsection (1) commits an offence of an illegal practice within the meaning of the law specified in section 2 under which such election was conducted and shall be liable to the penalties imposed under such laws in respect of the offence of an illegal practice.

6. (1) Every recognized political party, independent group and candidate at an election conducted under any law specified in section 2 shall within twenty-one days of the date of publication of the result of such election, submit to the respective authority specified in subsection (3) -

Submission of return of donations or contributions received and expenditure incurred

- (a) a return of all donations or contributions accepted or received by such recognized political party, an independent group or candidate on behalf of such recognized political party, independent group or candidate; and
- (b) a return of all expenses incurred by such recognized political party, independent group or candidate on behalf of such recognized political party, independent group or candidate,

for promoting or procuring the election of such recognized political party, independent group or candidate.

(2) For the purposes of this section “date of publication of the results of such election” means, the date of publication of results –

- (a) under section 66 of the Local Authorities Elections Ordinance (Chapter 262) in the case of an election conducted under that Ordinance;
- (b) under section 60 of the Provincial Councils Elections Act, No. 2 of 1988 in the case of an election conducted under that Act;

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- (c) under section 62 of the Parliamentary Elections Act, No. 1 of 1981 in the case of an election conducted under that Act; and
- (d) under section 64(2) of the Presidential Elections Act, No. 15 of 1981 in the case of an election conducted under that Act.

(3) The returns referred to in subsection (1) shall be submitted by the recognized political party, independent group and candidate –

- (a) to the returning officer of the respective local authority area with a copy to the Election Commission, in the case of an election conducted under the provisions of the Local Authorities Elections Ordinance (Chapter 262);
- (b) to the returning officer of the respective administrative district with a copy to the Election Commission, in the case of an election conducted under the Provincial Councils Elections Act, No. 2 of 1988;
- (c) to the returning officer of the respective electoral district with a copy to the Election Commission, in the case of an election conducted under the Parliamentary Elections Act, No. 1 of 1981; or
- (d) to the Election Commission, in the case of an election conducted under the Presidential Elections Act, No. 15 of 1981.

(4) The return referred to in paragraph (a) of subsection (1) shall state -

- (a) the amount of every donation or contribution accepted or received by or on behalf of such recognized political party, independent group or candidate, and if the donation or contribution is in kind, the estimated value of the donation or contribution;

- (b) whether such donation or contribution was by way of gift, loan, advance or deposit; and
- (c) the name, address and National Identity Card number or registration number as the case may be, of the individual or body of persons incorporated or unincorporated making such donation or contribution.

(5) The return referred to in paragraph (b) of subsection (1) shall include expenditure incurred by or on behalf the recognized political party, independent group or candidate, whether paid or unpaid for –

- (a) the printing, publication, pasting, exhibition or display of, advertisements, handbills, flags, drawings, photographs, placards or posters relating to such election;
- (b) the production and broadcast, on radio or television of advertisements relating to such election;
- (c) the production and publication in newspapers, journals, social media, digital hoardings or any other digital media, or other publications of advertisements relating to such election;
- (d) the hiring or use of any premises or equipment for the holding of meetings relating to such election;
- (e) the hiring of vehicles for activities relating to such election other than expenditure for the hiring of vehicles for the transport of the candidate; and
- (f) the provision of fuel for the running of those vehicles,

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Act, No. 3 of 2023*

together with bills and receipts confirming the same, and if the above services were obtained without payment, the names and the addresses of the persons from whom such services were obtained shall be included:

Provided however, the expenditure incurred by or on behalf of the recognized political party, independent group or candidate for –

- (a) the transport of the candidate within the area for which the election is being held; and
- (b) the stationery, telephone or other means of communication,

shall not be included in the return referred to in paragraph (b) of subsection (1).

(6) The returns referred to in subsection (1) shall be signed by the secretary to the recognized political party, group leader of the independent group or the candidate as the case may be and accompanied by a declaration signed by such secretary, group leader or candidate and attested by a Justice of the Peace, to the effect that the information in such returns is to the best of the knowledge of such secretary, group leader or candidate, true and correct.

Publication of
notice relating to
receipt of
returns and
declarations

7. (1) On receipt of the returns and declarations submitted under section 6 –

- (a) the respective returning officer, in the case of an election conducted under the Local Authorities Elections Ordinance (Chapter 262), the Provincial Councils Elections Act, No. 2 of 1988 or the Parliamentary Elections Act, No. 1 of 1981; and
- (b) the Election Commission, in the case of an election conducted under the Presidential Elections Act, No. 15 of 1981,

shall cause a notice to be published in at least one national newspaper in the Sinhala, Tamil and English languages stating that the returning officer or the Election Commission, as the case may be, has received the returns and declarations submitted by the recognized political party, independent group or candidate named in the notice and indicating the place and time at which such returns and declarations may be inspected by any person.

(2) The notice referred to in subsection (1), shall be published within ten days after the expiry of the time period specified in subsection (1) of section 6.

(3) The returning officer and the Election Commission shall permit a person to inspect the returns and declaration made by a recognized political party, an independent group or a candidate at the place and time mentioned in the notice published under subsection (1) and shall allow such person to take copies of such returns or declaration on payment of a fee of such amount as may be determined by the Election Commission.

8. Every candidate, at an election conducted under any law specified in section 2, who –

Offence of an illegal practice

- (a) fails, without reasonable cause, to comply with the provisions of subsection (1) of section 6; or
- (b) makes any statement in any such return submitted under subsection (1) of section 6 or in a declaration made under subsection (6) of section 6, being a statement which such person knows, or ought reasonably to have known, to be false,

commits an offence of an illegal practice within the meaning the law specified in section 2 under which such election was conducted, and shall be liable to penalties specified by such law for the commission of an illegal practice.

10 *Regulation of Election Expenditure
Act, No. 3 of 2023*

Interpretation

9. In this Act, unless the context otherwise requires -

“administrative district” means, the administrative district established under the Administrative Districts Act (Chapter 392);

“donation or contribution accepted or received on behalf of a recognized political party, an independent group or a candidate” means, such donation or contribution which is accepted or received directly or indirectly with the express or implied consent of the recognized political party, the independent group or candidate;

“election” means, an election conducted under –

- (a) the Local Authorities Elections Ordinance (Chapter 262);
- (b) the Provincial Councils Elections Act, No. 2 of 1988;
- (c) the Parliamentary Elections Act, No. 1 of 1981;
- (d) the Presidential Elections Act, No. 15 of 1981;

“electoral district” means, an electoral district specified in a Proclamation under Article 97 of the Constitution and for the time being in force; and

“local authority” means, a Municipal Council, Urban Council or Pradeshiya Sabha.

Sinhala text to prevail in case of inconsistency

10. 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**

**INLAND REVENUE (AMENDMENT)
ACT, No. 4 OF 2023**

[Certified on 08th of May, 2023]

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Inland Revenue (Amendment)
Act, No. 4 of 2023

[Certified on 08th of May, 2023]

L.D.—O. 10/2023

AN ACT TO AMEND THE INLAND REVENUE ACT, NO. 24 OF 2017

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 Inland Revenue (Amendment) Act, No. 4 of 2023.

Short title and
the date of
operation

(2) The provisions of this section and sections 2, 4, 7, 8, 9, 11, 13, 15, 16, 19 and 22 of this Act shall come into operation on the date on which the Bill becomes an Act of Parliament.

(3) The provisions of this Act specified in *Column I* of the table below which amend the provisions of the Inland Revenue Act, No. 24 of 2017 (hereinafter referred to as the “principal enactment”) specified in *Column II* of that table, shall come into operation or be deemed to have come into operation, as the case may be, on the respective dates as specified in *Column III* of that table.

Table

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>	<i>Date of operation</i>
3	37(1)(b)	01.04.2021
5	84A(1B)	01.01.2023
6	85(4)	01.01.2023
10	113(1)(b), 113(1)(bb), 113(1A), 113(1B) and 113(1C)	01.04.2023
12	135(3), 135(3A) and 135(4)	01.04.2023

*Inland Revenue (Amendment)
Act, No. 4 of 2023*

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>	<i>Date of operation</i>
14	150(1)(a), 150(1)(b), 150(1)(c) and 150(2A)	01.04.2023
17	195	01.04.2018
18	subparagraph (1) of paragraph 4, item (d)(iii) of subparagraph (1) of paragraph 10 and paragraph 13 of the First Schedule	01.10.2022
20	paragraph (gg) of the Third Schedule	01.04.2022
20	subparagraphs (ii) and (iii) of paragraph (ooo) of the Third Schedule	01.10.2022
20	paragraph (tt) and subparagraphs (ii), (v) and (vi) of paragraph (w) of the Third Schedule	01.04.2023
20	paragraph (x) of the Third Schedule	27.05.2021
21	–	01.10.2022

Amendment of section 10 of the principal enactment

2. Section 10 of the principal enactment is hereby amended by the insertion immediately after subsection (2) of that section, of the following new subsection: -

“(2A) (a) Where a person pays to another person, on or after the date of commencement of this (Amendment) Act, a sum of money amounting in the aggregate to Rs. 500,000 or more, in a day, or in respect of a single transaction, or in respect of a series of single transactions relating to one event, otherwise than by way of an account payee cheque or account payee bank draft or by the use of a credit card, debit card or electronic payment system through a bank account-

- (i) any deduction shall not be allowed in respect of such payments in calculating the first mentioned person’s income; and

- (ii) the amounts paid shall not be considered as cost of an asset of the first mentioned person.

(b) The provisions of paragraph (a) shall not apply to-

- (i) any payment by the Government of Sri Lanka or any Government institution;
- (ii) any payment by a bank or financial institution; and
- (iii) such classes of persons or payments as may be prescribed by the Minister.

(c) For the purpose of this subsection-

“bank account” means any account maintained in a bank or financial institution in Sri Lanka;

“Government institution” means any Department or undertaking of the Government of Sri Lanka and includes any public corporation; and

“single transaction” means the purchase or procurement of any goods or services, on a single invoice, receipt or statement.”.

3. Section 37 of the principal enactment is hereby amended in paragraph (b) of subsection (1) of that section, by the substitution for the words “the asset;”, of the words and figures “the asset prior to April 1, 2021 and in improving the asset on or after April 1, 2021;”.

Amendment of
section 37 of the
principal
enactment

Amendment of section 73 of the principal enactment

4. Section 73 of the principal enactment is hereby amended in paragraph (a) of subsection (1) of that section as follows:—

- (1) in sub-paragraph (i) of that paragraph, by the substitution for the words “paid; or”, of the word “paid;”;
- (2) in sub-paragraph (ii) of that paragraph, by the substitution for the words “employment is;”, of the words “employment is; or”; and
- (3) by the addition immediately after sub-paragraph (ii) of that paragraph, of the following new sub-paragraph:—

“(iii) to the extent derived from a company resident and conducting the business in Sri Lanka;”.

Amendment of section 84A of the principal enactment

5. Section 84A of the principal enactment is hereby amended by the insertion immediately after subsection (1A) of that section, of the following new subsection:—

“(1B) For the purpose of subsection (1A), “a person” includes the Government of Sri Lanka, in the case of a payment made to a non-resident person other than a payment derived through a Sri Lankan permanent establishment.”.

Amendment of section 85 of the principal enactment

6. Section 85 of the principal enactment is hereby amended by the addition immediately after subsection (3) of that section, of the following new subsection: -

“(4) For the purpose of this section, “a person” includes the Government of Sri Lanka, in the case of a payment made to a non-resident person other than a payment derived through a Sri Lankan permanent establishment.”.

7. Section 86 of the principal enactment is hereby amended by the addition immediately after subsection (6) of that section, of the following new subsections: -

Amendment of section 86 of the principal enactment

“(7) The Commissioner-General may specify the procedure of withholding the tax from any payment made to a non-resident person under this Division. Every withholding agent and financial institution shall comply with such procedure.

(8) Every withholding agent who has deducted Advance Income Tax under the provisions of section 84A shall file with the Commissioner-General a quarterly statement as specified by the Commissioner-General, within thirty days after the end of each quarter, ending on the thirtieth day of June, thirtieth day of September and thirty first day of December.”.

8. Section 100 of the principal enactment is hereby amended in subsection (1) of that section, by the insertion immediately after paragraph (b) of that subsection, of the following new paragraph:-

Amendment of section 100 of the principal enactment

“(bb) the Director-General of the Department of Fiscal Policy, for the purpose of making decisions on the tax policy and Government revenue;”.

9. The following new section is hereby inserted immediately after section 111 of the principal enactment, and shall have effect as section 111A of that enactment:-

Insertion of new section 111A in the principal enactment

“Opinion of the Secretary to the Treasury on underlying tax policy

111A. The Commissioner-General may obtain opinion or observation of the Secretary to the Treasury on the underlying tax policy relating to any provision of this Act, for the purpose of interpretation of such provisions under this Division or Division III of this Chapter, or for any tax Act administered by the Commissioner-General.”.

Amendment of
section 113 of
the principal
enactment

10. Section 113 of the principal enactment is hereby amended as follows:-

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

(a) in paragraph (b) of that subsection, by the substitution for the words and figures “Subject to subsection (1A),” of the words and figures “Subject to subsection (1A), prior to April 1, 2023,”;

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

“(bb) the filing of any other document under this Act;”;

(2) in subsection (1A) of that section, by the substitution for the words “A company”, of the words and figures “Prior to the year of assessment commencing from April 1, 2023, a company”; and

(3) by the insertion immediately after subsection (1A) of that section, of the following new subsections: -

“(1B) Subject to subsection (1C), with effect from the year of assessment commencing from April 1, 2023, a person shall file such person’s tax returns electronically through the use of a computer system or mobile electronic device.

“(1C) The Commissioner-General may authorise a person to file a tax return in writing, for a year of assessment, where the Commissioner-General considers that such authorisation is just and equitable in the circumstances of the case.”.

11. Section 123 of the principal enactment is hereby amended by the addition immediately after subsection (7) of that section, of the following new subsection: -

Amendment of section 123 of the principal enactment

“(8) Notwithstanding anything to the contrary in any other written law –

- (a) the Registrar-General of the Registrar General’s Department;
- (b) the Registrar-General of Companies;
- (c) the Commissioner-General of Motor Traffic;
- (d) an officer of any other Government institution in charge of granting contracts for the supply of goods, works, or consulting and non-consulting services;
- (e) a financial institution;
- (f) a stock exchange; or
- (g) any other person or a Government institution as may be prescribed by regulations,

shall provide on a regular basis in electronic format, such information including information on financial transactions, or access to such records that are in any of such person’s or institution’s custody, as may be prescribed, to the Commissioner-General.”.

12. Section 135 of the principal enactment is hereby amended as follows: -

Amendment of section 135 of the principal enactment

- (1) in subsection (3) of that section, by the substitution for the words “where the Assistant Commissioner”, of the words and figures “for any year of assessment commencing prior to April 1, 2023, where the Assistant Commissioner”;

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

“(3A) Subject to subsection (4), where the Assistant Commissioner has served a notice of an amended assessment on a tax payer under subsection (1), the Assistant Commissioner may further amend the original assessment to which the amended assessment relates, within-

- (a) the period specified in paragraph (b) of subsection (2); or
- (b) a period of one year after the Assistant Commissioner served the notice of the amended assessment on the tax payer,

whichever occurs later.”; and

- (3) in subsection (4) of that section, by the substitution for the word and figure “subsection (3)”, of the word and figures “subsection (3A)”.

Amendment of
section 139 of
the principal
enactment

13. Section 139 of the principal enactment is hereby amended in subsection (5) of that section as follows: -

- (1) in paragraph (a) of that subsection, by the substitution for the words “in writing”, of the words “in writing or by electronics means”; and
- (2) by the addition immediately after paragraph (b) of that subsection, of the following new paragraph: -

“(c) The Commissioner-General shall, in the case of a request for review made on or after the date of commencement of this (Amendment) Act, notify his decision and the reason for the decision under paragraph (a) within a period of two years from the date on which such request

for review is received by the Commissioner-General. Where such decision is not notified within such period, the request for review shall be deemed to have been allowed, unless an appeal has been preferred to the Tax Appeals Commission in accordance with paragraph (b) of subsection (2) of section 140.”.

14. Section 150 of the principal enactment is hereby amended as follows: -

Amendment of
section 150 of
the principal
enactment

- (1) in subsection (1) of that section –
 - (a) in paragraph (a) of that subsection, by the substitution for the words “assessed liability to pay tax,”, of the words “assessed liability or payable amount of tax,”;
 - (b) in paragraph (b) of that subsection, by the substitution for the words “six months.”, of the words “six months; or”;
 - (c) by the addition immediately after paragraph (b) of that subsection, of the following new paragraph: -

“(c) at the request of the taxpayer, set off sixty percent of the refundable amount against the subsequent income tax payable by the taxpayer, prior to a tax audit on the refund claim.”; and
- (2) by the insertion immediately after subsection (2) of that section, of the following new subsection: -

“(2A) (a) If the taxpayer referred to in subsection (2) is a resident individual and the refund claim is not exceeding one hundred

thousand rupees, the Commissioner-General shall pay the refund amount due, within three months of the date of the refund claim made by such resident individual, prior to a tax audit:

Provided that, if such resident individual is a senior citizen who is not an instalment payer and his refund claim is not exceeding twenty five thousand rupees for any quarter ending on the thirtieth day of June, thirtieth day of September, thirty first day of December and thirty first day of March, such refund claim shall be paid within three months of the date of the refund claim made by such resident individual, prior to a tax audit.

(b) The manner and the procedure relating to the payment of the refund amount due under paragraph (a), may be specified by the Commissioner-General.”.

Amendment of section 154 of the principal enactment

15. Section 154 of the principal enactment is hereby amended in paragraph (b) of subsection (2) of that section, by the substitution for the words “collected pursuant.”, of the words “collected pursuant to a levy of execution or by way of garnishment in accordance with the provisions of this Act.”.

Amendment of section 182 of the principal enactment

16. Section 182 of the principal enactment is hereby amended by the addition immediately after subsection (4) of that section, of the following new subsection: -

“(5) A financial institution that fails to comply with the procedure specified by the Commissioner-General in terms of subsection (7) of section 86, shall be liable for a penalty of an amount not exceeding fifty thousand rupees.”.

Amendment of section 195 of the principal enactment

17. Section 195 of the principal enactment is hereby amended by the insertion immediately after the definition of the expression “tax” of that section, of the following new definition:—

“Tax Appeals Commission” means, the Tax Appeals Commission established by the Tax Appeals Commission Act, No. 23 of 2011;”.

18. The First Schedule to the principal enactment is hereby amended as follows: -

Amendment of
the First
Schedule to the
principal
enactment

- (1) in subparagraph (1) of paragraph 4 of that Schedule, by the substitution for the words and figures “subparagraphs (2), (2A) and (3),”, of the words and figures “subparagraphs (2), (2A), (2B) and (3),”;
- (2) in item (d)(iii) of subparagraph (1) of paragraph 10 of that Schedule, by the substitution for the words “exceeds or is equal to”, of the word “exceeds,”; and
- (3) by the addition immediately after paragraph 12 of that Schedule, of the following new paragraph: -

“13. Tax rate for dividends

Notwithstanding the provisions in other paragraphs of this Schedule, where a person’s taxable income includes gains and profits from dividends for the second six months of the year of assessment commencing on April 1, 2022, such gains and profits shall be taxed at the rate of 15%.”.

19. The Second Schedule to the principal enactment is hereby amended in paragraph 1 of that Schedule as follows:-

Amendment
of the
Second
Schedule to
the principal
enactment

- (1) by the insertion immediately after subparagraph (1) of that paragraph, of the following new subparagraph:-

“(1A) A person who has entered into an agreement with the Board of Investment of Sri Lanka established under the Board of Investment of Sri Lanka Law, No. 4 of 1978 and invests in Sri Lanka in the expansion of

his existing undertaking, during any year of assessment shall be granted enhanced capital allowances computed in accordance with this paragraph, in addition to the capital allowances computed under the Fourth Schedule.”;

(2) in subparagraph (10) of that paragraph–

- (a) in the definition of the expression “Capital allowance expenditure” of that subparagraph, by the substitution for the words “Schedule; and”, of the words “Schedule.”;
- (b) by the insertion immediately after the definition of the expression “Capital allowance expenditure” of that subparagraph, of the following new definitions:–

““existing undertaking” means any undertaking conducted by a person, prior to the first date of investment on depreciable assets;

“expansion” does not include–

- (a) the transfer, purchase or exchange of a depreciable asset of an existing undertaking of a person or an associate of a person; or
- (b) the purchase of a depreciable asset to replace an existing depreciable asset of an undertaking of a person;

“new undertaking” does not include–

- (a) the existing undertaking; or
- (b) an undertaking formed by splitting-up or re-construction of an existing undertaking of a person or an associate of a person;”.

20. The Third Schedule to the principal enactment is hereby amended as follows:-

Amendment of
the Third
Schedule to the
principal
enactment

- (1) in paragraph (*gg*) of that Schedule, by the substitution for the words “an entity fully owned by”, of the words “an entity of which more than fifty percent of direct or indirect membership interest is owned by;”;
- (2) in paragraph (*ooo*) of that Schedule –
 - (a) in subparagraph (ii) of that paragraph, by the substitution for the words and figures “another resident company which is subject to Advance Income Tax under subsection (1A) of section 84A;”, of the words “another resident company;”;
 - (b) by the addition immediately after subparagraph (ii) of that paragraph, of the following new subparagraph: -
 - “(iii) to a member who is a non-resident person where such dividend is paid prior to January 1, 2023;”;

- (3) by the insertion immediately after paragraph (t) of that Schedule, of the following new paragraph: -

“(tt) amounts derived by a non-resident person from engaging in a project of the Government of Sri Lanka, if such project is approved by the Minister taking into consideration the economic benefits to the country, and is totally funded from foreign grants;”;

- (4) in paragraph (w) of that Schedule-

(a) in subparagraph (ii) of that paragraph, by the substitution for the words and figures “on or after April 1, 2021”, of the words and figures “on or after April 1, 2021, but prior to April 1, 2023,”;

(b) in subparagraph (v) of that paragraph, by the substitution for the words and figures “on or after January 1, 2021”, of the words and figures “on or after January 1, 2021, but prior to April 1, 2023,”;

(c) in subparagraph (vi) of that paragraph, by the substitution for the words and figures “on or after April 1, 2021;”, of the words and figures “on or after April 1, 2021, but prior to April 1, 2023, for a period of two years of assessment;”; and

- (5) by the addition immediately after paragraph (w) of that Schedule, of the following new paragraph: -

“(x) gains and profits received or derived by an authorised person carrying on a Business of

Strategic Importance as approved under the provisions of the Colombo Port City Economic Commission Act, No. 11 of 2021 and the employment income of an employee employed in terms of section 35 of that Act, up to the extent provided for in that Act for each year of assessment.”.

21. Where a company has not paid the tax in accordance with the provisions of item (a) of subparagraph (4) of paragraph 4 of the First Schedule to the principal enactment as amended by the Inland Revenue (Amendment) Act, No. 45 of 2022, for the period commencing on October 1, 2022 and ending on the date of the commencement of the said Inland Revenue (Amendment) Act, No. 45 of 2022, but pays the amount of tax payable by such company, on or before the thirtieth day of the succeeding month of the date of commencement of this Act, such company shall not be liable to any penalty or interest in terms of the provisions of the principal enactment.

Relief from
penalty or
interest

22. If—

Avoidance of
doubt

- (a) an enterprise has entered into an agreement with the Board of Investment of Sri Lanka under section 17 of the Board of Investment of Sri Lanka Law, No. 4 of 1978 on or after April 1, 2018 but prior to October 1, 2022; and
- (b) such agreement provides for the profits and income of that enterprise or any dividend paid by that enterprise to be fully or partly exempt from income tax or to be taxed at a reduced rate of income tax,

such profits and income of such enterprise or such dividend paid by such enterprise shall continue to be exempt from income tax payable, or shall be liable for income tax at the rate provided for in such agreement, as the case may be.

Replacement of
*Table 'A', Table
'B' and Table
'C' of the Inland
Revenue
(Amendment)
Act, No. 45 of
2022*

23. *Table 'A', Table 'B' and Table 'C' of the Inland Revenue (Amendment) Act, No. 45 of 2022 are hereby repealed and the following tables are substituted therefor and shall be deemed to have come into operation in accordance with subsections (2), (3), (4) and (5) of section 1 of the Inland Revenue (Amendment) Act, No. 45 of 2022: -*

*Inland Revenue (Amendment)
Act, No. 4 of 2023*

17

“Table ‘A’

(section 1)

<i>Column I</i>	<i>Column II</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>
2	5
4	12
5	14
6	16
11	66
18	87
21	94
22	120
24	133
25	134
26	135
27	136
32(1) and (3)	195
33(1), (2), (3), (4) and (5)	subparagraphs (1A) and (1B) of paragraph 1, paragraphs 3, 4, 5 and 7 of the First Schedule
34	subparagraph (6A) of paragraph 1 of the Second Schedule
35(1)	paragraph (gg) of the Third Schedule
37(1)	item (b) of subparagraph (4) of paragraph 1 of the Sixth Schedule
38	new section

Table 'B' (section 1)

<i>Column I</i>	<i>Column II</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>
8(1)	subsection (3) of section 19
33(1)	subparagraph (5) of paragraph 1 of the First Schedule
35 (2), (3), (4) and (5)	paragraphs (<i>hh</i>), (<i>oo</i>), (<i>ooo</i>) and (<i>rr</i>) of the Third Schedule
36(2)	paragraph 2 of the Fifth Schedule
37(3) and (4)	paragraphs 8 and 10 of the Sixth Schedule

Table 'C' (section 1)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>	<i>Date of operation</i>
3	10	01.04.2021
7	18	01.04.2021
8	19(4)	01.04.2018
9	46	01.04.2021
10	54	01.04.2018
12	69	01.04.2018

*Inland Revenue (Amendment)
Act, No. 4 of 2023*

19

Table 'C'

(section 1)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Section of this Act</i>	<i>Section of the principal enactment which is amended</i>	<i>Date of operation</i>
13	72	01.04.2018
14	73	01.04.2018
15	83A	01.01.2023
16	84A	01.01.2023
17	85	01.01.2023
19	88	01.01.2023
20	90	01.04.2021
32(2)	195	01.04.2020
33(1) and (7)	subparagraph (1C) of paragraph 1 and paragraph 11 of the First Schedule	01.04.2023
35(6) and (7)	paragraphs (u) and (w) of the Third Schedule	31.03.2023
36(1)	subparagraph (e) of paragraph 1 of the Fifth Schedule	01.04.2021

24. 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**

**RATHANATISSA PEACE FOUNDATION
(INCORPORATION) ACT, No. 5 OF 2023**

[Certified on 23rd of May, 2023]

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Rathanatissa Peace Foundation (Incorporation)
Act, No. 5 of 2023

[Certified on 23rd of May, 2023]

L.D.—O. (Inc.) 1/2021

AN ACT TO INCORPORATE THE RATHANATISSA PEACE FOUNDATION

WHEREAS a Foundation called and known as the “Rathanatissa Peace Foundation” has heretofore been established 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 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 Rathanatissa Peace Foundation (Incorporation) Act, No. 5 of 2023.

Short title

2. (1) From and after the date of commencement of this Act, such and so many persons as now are members of the “Rathanatissa Peace Foundation” (hereinafter referred to as the “Foundation”), and shall hereafter be admitted as members of the body corporate hereby constituted shall have perpetual succession under the name and style of the “Rathanatissa Peace Foundation” (hereinafter referred to as the “body corporate”), 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
Rathanatissa
Peace
Foundation

(2) The body corporate shall be deemed to be a Voluntary Social Service Organization within the meaning and for the purpose of the Voluntary Social Services Organizations

2 *Rathanatissa Peace Foundation (Incorporation)*
Act, No. 5 of 2023

(Registration and Supervision) Act, No. 31 of 1980 and the provisions of that Act shall apply to and in relation to the management of the affairs of the body corporate.

General
objects of the
body
corporate

3. (1) Subject to the provisions of any other written law, the general objects for which the body corporate is constituted are hereby declared to be—

- (a) to provide monetary or other assistance in the form of building materials, workmanship for the construction and improvement of religious places;
- (b) to organize leadership programmes for children, young persons and youth;
- (c) to save and rescue cattle from slaughter; and
- (d) to assist any Ministry or Department of the Government or any Provincial Council pursuant to a written request made by such Ministry or Department of the Government or any Provincial Council in the development of educational, religious, cultural, aesthetic and sports facilities.

(2) In the implementation of the objects specified in subsection (1), the body corporate shall ensure that such implementation shall be carried out without any distinction based on race, religion, language, caste, gender, political opinion, place of birth or such other ground.

Body corporate
to ensure no
conflict with
work of Ministry
or Department of
the Government
or Provincial
Council

4. The objects of the body corporate shall be carried out in such manner so as not to create any conflict between the work of the body corporate and any work being carried out simultaneously by any Ministry or Department of the Government or of any Provincial Council.

Rathanatissa Peace Foundation (Incorporation) 3
Act, No. 5 of 2023

5. (1) Subject to the provisions of this Act, any other written law and the rules made under section 7, the management and administration of the affairs of the body corporate shall be carried out by a Management Council (hereinafter referred to as the "Council") consisting of such number of office bearers as may be specified by the rules made under section 7.

Management of
the affairs of the
body corporate

(2) (a) The members of the Management Council of the Foundation holding office on the day immediately preceding the date of commencement of this Act shall, subject to the rules made under paragraph (b), function as an Interim Council of the body corporate until the first Council is appointed or elected within the period specified in paragraph (d) and in the manner provided for by rules made under section 7.

(b) Subject to the provisions of section 7, the Interim Council shall have the power to make rules for the interim administration of the body corporate and for election or appointment of the members of the first Council of the body corporate, not inconsistent with the provisions of this Act or any other written law:

Provided, the provisions of subsections (3) and (4) of section 7 shall *mutatis mutandis* apply to the rules made under subsection (1).

(c) Any decision of the Interim Council shall be taken by the majority of its members present at any meeting.

(d) The first Council of the body corporate shall be appointed or elected within one year of the date of commencement of this Act.

(3) (a) Every office bearer of the Council including the patrons and advisors, shall be appointed or elected for a period of three years and any such office bearer, patron or advisor shall be eligible for re-appointment or re-election after the lapse of the said period of three years.

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(b) In the event of a vacancy occurring due to the death, resignation, incapacity or removal from office of an office bearer, the Council shall, having regard to the rules of the body corporate, elect or appoint a person to fill such vacancy.

(c) The person elected or appointed under paragraph (b) shall hold office only for the unexpired portion of the term of office of the member whom he succeeds.

Powers of the
body corporate

6. Subject to the provisions of this Act and any other written law, the body corporate shall have the power to do, perform and execute all such acts and matters as are necessary for the promotion or furtherance of the objects of the body corporate or any one of them, including the power—

- (a) to purchase, rent, construct, renovate and otherwise obtain lands or buildings which may be required for the purposes of the body corporate and to deal with or dispose of the same as may be deemed expedient with a view to promoting the objects of the body corporate;
- (b) enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the body corporate, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the body corporate;
- (c) to borrow or raise funds with or without securities and to receive grants, gifts or donations from local or foreign sources in cash or kind :

Provided that, the Council shall obtain the prior written approval of the Department of External Resources in respect of all foreign grants, gifts or donations made to the body corporate;

- (d) 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 accounts in any bank;
- (e) to invest any funds that are not immediately required for the purposes of the body corporate, in such manner as the Council may determine;
- (f) to undertake, accept, execute, perform and administer any lawful trust having objects similar to the body corporate or any real or personal property with a view to promoting the objects of the body corporate;
- (g) to appoint, employ, dismiss or terminate the services of officers and other employees of the body corporate and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the body corporate;
- (h) to liaise and co-ordinate with other local and foreign institutions having similar objects to that of the body corporate;
- (i) to organise lectures, seminars and conferences with a view to promoting the objectives of the body corporate;
- (j) to train personnel in Sri Lanka or abroad for the purposes of the body corporate; and
- (k) to do all other things as are authorised by this Act to achieve objects of the body corporate.

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Rules of the
body corporate

7. (1) It shall be lawful for the body corporate, from time to time, at any general meeting of the body corporate 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, admission, withdrawal, expulsion or resignation of members and fees payable by the members;
- (b) the election of office bearers of the Council or vacation of or removal from office of office bearers and the powers, duties and functions of the office bearers;
- (c) the terms and conditions of appointment, powers, functions and duties of various officers, agents and servants of the body corporate;
- (d) the procedure to be followed for the summoning and holding of meetings of the body corporate and of the Council, notices and agenda of such meetings, the quorum and the conduct of business thereat;
- (e) the qualifications and disqualifications to be a member of the Council and the body corporate;
- (f) the administration and management of the property of the body corporate; and
- (g) generally, the management of the affairs of the body corporate and dissolution of the body corporate.

(2) Any rule made by the body corporate 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.

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(3) The rule made under subsection (1), shall be published in the *Gazette* within three months upon making of such rules and shall come into effect on the date thereof.

(4) Every rule made by the body corporate within three months after its publication in the *Gazette* be brought before Parliament for approval. Any rule 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 rule is so disapproved shall be published in the *Gazette*.

(6) The members of the body corporate shall at all times be subject to the rules of the body corporate.

8. The Council shall maintain a register of members in which name, address and other essential details of the members shall be inscribed.

Register of
members

9. (1) The body corporate shall have its own Fund.

Fund of the
body corporate

(2) All moneys received by way of gifts, bequests, donations, subscriptions, contributions, fees or grants for and on account of the body corporate shall be deposited in one or more banks approved by the Council to the credit of the body corporate subject to the provisions of section 6(c):

Provided, for the purposes of this section, “bank” means a bank licensed as a “licensed commercial bank” under Part I of the Banking Act, No. 30 of 1988.

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

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Accounts and
Auditing

10. (1) The financial year of the body corporate shall be the calendar year.

(2) The body corporate shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the body corporate.

(3) The accounts of the body corporate shall be audited annually by a qualified auditor.

(4) For the purposes of this section “a 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.

Annual Report

11. (1) The Council shall prepare a report of the activities of the body corporate for each financial year and submit such report together with the audited statement of accounts certified by a qualified auditor and details of all contracts and agreements entered into by the body corporate in terms of the rules made under section 7 to the Secretary of the Ministry of the Minister assigned the subject of Education and to the Registrar of Voluntary Social Services Organizations appointed under the Voluntary Social Services Organization (Registration and Supervision) Act, No. 31 of 1980, before the expiration of six months of the year succeeding the year to which such report relates.

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(2) A separate Account relating to the foreign and local moneys received by the body corporate during the financial year shall be attached to the report referred to in subsection (1).

12. 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 body corporate hereby constituted and all debts due to, subscriptions and contributions payable to the Foundation on that day shall be paid to the body corporate for the purposes of this Act.

Debts due by
and payable to
the Foundation

13. Subject to the provisions of this Act and any other written law, the body corporate 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 property shall be held by the body corporate for the purpose of this Act and subject to the rules of the body corporate made under section 7, with power to sell, mortgage, lease, exchange, or otherwise dispose of the same.

Body corporate
may hold
property
movable and
immovable

14. Subject to the provisions of this Act and any other written law, the moneys and property of the body corporate however derived shall be applied solely towards the promotion of the objects of the body corporate and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or profit or otherwise howsoever to the members of the body corporate.

Application of
moneys and
property

15. (1) The Seal of the body corporate shall not be affixed to any instrument whatsoever, except in the presence of two members of the 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.

Seal of the body
corporate

(2) The Seal of the body corporate shall be in the custody of an office bearer of the Council as may be decided by the Council.

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Property
remaining on
dissolution

16. (1) If upon the dissolution of the body corporate 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 body corporate, but shall be given or transferred to any other institution having objects similar to those of the body corporate, and which is by the rules thereof, prohibited from distributing any income or property among its members.

(2) For the purposes of subsection (1), the appropriate institution to which the property remains after the satisfaction of all the debts and liabilities of the body corporate to be given or transferred shall be determined by the members of the body corporate with the approval of the Registrar of Voluntary Social Services Organizations appointed under the Voluntary Social Services Organizations (Registration and Supervision) Act, No. 31 of 1980 immediately before the dissolution at a general meeting by the majority of votes of the members present.

Saving of the
rights of the
Republic

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

Sinhala text to
prevail in case of
inconsistency

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**PARLIAMENTARY BUDGET OFFICE
ACT, No. 6 OF 2023**

[Certified on 27th of June, 2023]

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*Parliamentary Budget Office
Act, No. 6 of 2023*

[Certified on 27th of June, 2023]

L.D–O. 2/2023

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE PARLIAMENTARY BUDGET OFFICE; TO SPECIFY THE POWERS, DUTIES AND FUNCTIONS OF THE PARLIAMENTARY BUDGET OFFICER AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

WHEREAS Parliament has been vested with full control over public finance under Article 148 of the Constitution and in particular to implement and monitor the national budget proposals to achieve the objectives of the budget:

Preamble

AND WHEREAS it is considered essential for Parliament to make responsible decisions to maintain a sustainable fiscal position, effectively allocate public resources and ensure the efficient delivery of public goods and services:

AND WHEREAS it is acknowledged that as part of the broader commitment to Parliamentary fiscal transparency, the reports and proposals provided to Parliament for the policy making process shall include the relevant information to make effective decisions:

AND WHEREAS it is recognised that Parliament's deliberations and effective exercise of its public finance responsibilities is aided by access to independent analysis of the proposals it is reviewing:

AND WHEREAS it is recognised that providing independent and non-partisan costing analyses related to policies in manifestos of recognised political parties or independent groups can lead to more transparent and affordable public policy:

2 *Parliamentary Budget Office
Act, No. 6 of 2023*

AND WHEREAS it is necessary to establish an independent institution to provide Parliament with budget analyses and costings that it can rely on when scrutinising spending proposals and making public finance decisions and to provide recognised political parties and independent groups with costing analyses of proposals in their manifestos:

NOW THEREFORE, be it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

Short title **1.** This Act may be cited as the Parliamentary Budget Office Act, No. 6 of 2023.

PART I

**ESTABLISHMENT OF THE PARLIAMENTARY BUDGET OFFICE
AND ITS ROLE**

Establishment of the Parliamentary Budget Office **2.** (1) There shall be established an independent entity called the Parliamentary Budget Office.

(2) The Parliamentary Budget Office -

(a) shall be a body corporate with perpetual succession;

(b) shall have a common seal;

(c) may sue or be sued in such name; and

(d) may hold, acquire and dispose of any property movable or immovable.

(3) The Parliamentary Budget Office shall be an independent body and accountable to Parliament.

(4) The independence of the Parliamentary Budget Office shall be respected at all times.

(5) No person shall cause undue influence, or interfere with the operation and administration of the Parliamentary Budget Office.

3. The objectives of the Parliamentary Budget Office shall be to assist - Objectives of the Parliamentary Budget Office

- (a) Parliament in the performance of its public finance responsibilities under the Constitution; and
- (b) any recognised political party or any independent group,

through the provision of independent, non-partisan analyses related to the budget, the medium-term economic and fiscal outlook, and the cost implications from a financial, revenue and expenditure perspective of policy proposals as provided for in this Act.

4. Subject to the provisions of this Act, the Parliamentary Budget Office shall provide analytical assistance to - Assistance for implementing the objectives

- (a) any Committee or Member of Parliament on matters related to public finance, including budget proposals, economic and fiscal forecasts and projections, and costing of proposed policies and Bills;
- (b) a recognised political party or an independent group to cost any proposal in its manifesto in the period immediately before an election; and
- (c) Parliament, generally, by providing analyses and briefings on matters necessary for or conducive to the objectives of the Parliamentary Budget Office.

PART II

**THE APPOINTMENT OF THE PARLIAMENTARY BUDGET OFFICER,
DEPUTY PARLIAMENTARY BUDGET OFFICER, ADVISORY COMMITTEE
AND THE STAFF OF THE PARLIAMENTARY BUDGET OFFICE**

- | | |
|---|---|
| Appointment of the Parliamentary Budget Officer | 5. Subject to the provisions of this Part, the Parliamentary Budget Officer shall be appointed by the President on the recommendation of the Constitutional Council. The Parliamentary Budget Officer shall be the Chief Executive Officer of the Parliamentary Budget Office. |
| Eligibility criteria to apply to the office of the Parliamentary Budget Officer | 6. A person who applies to the office of the Parliamentary Budget Officer shall – <ul style="list-style-type: none"> (a) be competent, honest, of high moral integrity and of good repute; and (b) have at least fifteen years of experience in government budgeting, financial policy, fiscal policy or macroeconomic analysis. |
| Parliamentary Budget Officer's term of office | 7. The term of office of the Parliamentary Budget Officer shall be five years from the date of his appointment to such office. |
| Parliamentary Budget Officer's eligibility for re-appointment | 8. (1) The person appointed as the Parliamentary Budget Officer shall, on the recommendation of the Secretary-General of Parliament to the Constitutional Council, be eligible to be considered for re-appointment for not more than one further term, unless removed from office under this Part. <p style="margin-left: 40px;">(2) A re-appointment referred to in subsection (1) shall be made by the President, on the recommendation of the Constitutional Council.</p> |

9. Subject to the provisions of this Part, the Deputy Parliamentary Budget Officer shall be appointed by the President, on the recommendation of the Constitutional Council. The Deputy Parliamentary Budget Officer shall assist the Parliamentary Budget Officer in the exercise, performance and discharge of his powers, duties and functions.

Appointment of the Deputy Parliamentary Budget Officer

10. A person who applies to the office of the Deputy Parliamentary Budget Officer shall –

Eligibility criteria to apply to the office of the Deputy Parliamentary Budget Officer

- (a)* be competent, honest, of high moral integrity and of good repute; and
- (b)* have at least ten years of experience in government budgeting, financial policy, fiscal policy or macroeconomic analysis.

11. The term of office of the Deputy Parliamentary Budget Officer shall be five years from the date of appointment to such office.

Deputy Parliamentary Budget Officer's term of office

12. (1) The person appointed as the Deputy Parliamentary Budget Officer shall, on the recommendation of the Secretary-General of Parliament to the Constitutional Council, be eligible to be considered for re-appointment for not more than one further term as the Deputy Parliamentary Budget Officer, unless removed from office under this Part.

Deputy Parliamentary Budget Officer's eligibility for re-appointment

(2) A re-appointment referred to in subsection (1) shall be made by the President, on the recommendation of the Constitutional Council.

(3) The appointment or re-appointment of the Deputy Parliamentary Officer shall not have a bearing on his or her eligibility to be appointed as the Parliamentary Budget Officer.

Non-
pensionable

13. The office of the Parliamentary Budget Officer and the office of the Deputy Parliamentary Budget Officer shall be non-pensionable.

Selection of the
Parliamentary
Budget Officer
and Deputy
Parliamentary
Budget Officer

14. (1) The Secretary-General of Parliament shall invite applications for the office of the Parliamentary Budget Officer and the office of the Deputy Parliamentary Budget Officer by publishing a notice –

- (a) in the *Gazette*;
- (b) in one Sinhala, Tamil and English newspaper that is published and circulated in Sri Lanka; and
- (c) on the official website of Parliament.

(2) The Secretary-General of Parliament shall consult the Advisory Committee referred to in section 15 when preparing the invitation and notice referred to in subsection (1).

(3) The notice referred to in subsection (1) shall specify a period of at least thirty days for applications to be submitted to the Secretary-General of Parliament.

(4) (a) The Secretary-General of Parliament shall, having due regard to gender, diversity of background, experience and expertise of the person applied, forward to the Constitutional Council, a recommended list of names of the persons to be appointed as the Parliamentary Budget Officer and the Deputy Parliamentary Budget Officer.

(b) Upon receipt of such list of names, the Constitutional Council shall forward its recommendation to the President and the President shall proceed to appoint the persons so recommended to the office of the Parliamentary Budget Officer and the office of the Deputy Parliamentary Budget Officer.

(5) Where the Constitutional Council does not recommend to the President any person specified in the list of names referred to in paragraph (a) of subsection (4), the Secretary-General of Parliament shall, -

- (a) subject to sections 6, 10 and 16 forward another list of names to the Constitutional Council from amongst persons who have submitted application under this section for the office of the Parliamentary Budget Officer or the office of the Deputy Parliamentary Budget Officer; or
- (b) invite fresh applications under this section, if any person who has applied for the office of the Parliamentary Budget Officer or the office of the Deputy Parliamentary Budget Officer does not possess the required qualifications.

15. There shall be an Advisory Committee comprising the Chair of the Committee on Public Finance, the Chair of the Committee on Ways and Means and the Deputy Speaker of Parliament, to assist -

Advisory
Committee

- (a) the Secretary-General of Parliament in the selection process of the Parliamentary Budget Officer and the Deputy Parliamentary Budget Officer; and
- (b) the Parliamentary Budget Officer in preparing an action plan of the Parliamentary Budget Office for each financial year in accordance with the provisions of this Act.

16. A person shall be disqualified from being appointed or continuing in office as the Parliamentary Budget Officer or the office of the Deputy Parliamentary Budget Officer, if such person –

Disqualification
from being
appointed or
continuing in
office

- (a) has an actual, potential or perceived conflict of interest on the date of his appointment or during

his tenure. A conflict of interest shall be inferred if such person –

- (i) is or becomes a Member of Parliament, a Provincial Council or a local authority;
 - (ii) holds or accepts a political office, as a member of a recognised political party or a trade union;
 - (iii) directly or indirectly holds or enjoys any rights or benefits under any agreement entered into by or on behalf of the Parliamentary Budget Office; or
 - (iv) has any financial or other interests that are likely to prejudicially affect the discharge of his duties;
- (b) is not, or ceases to be, a citizen of Sri Lanka;
- (c) becomes permanently incapable of carrying out his duties due to ill health, physical or mental infirmity or such other cause;
- (d) has been convicted of an offence which is of a fraudulent or corrupt character or is prejudicial to the interests of the Parliamentary Budget Office;
- (e) has served a sentence of imprisonment imposed by any court in Sri Lanka or any other country;
- (f) has failed to carry out his duties in the manner provided for in this Act; or
- (g) has been declared as insolvent or bankrupt under a court with competent jurisdiction and is an undischarged insolvent or is bankrupt.

17. (1) Where the Secretary General of Parliament, on receipt of a complaint or, has reason to believe that a person appointed to the office of the Parliamentary Budget Officer or the office of the Deputy Parliamentary Budget Officer, has become disqualified during the term of such office, the Secretary General of Parliament shall in writing request the Committee on Public Finance to conduct an inquiry in respect of such complaint.

Procedure when
a
disqualification
is alleged

(2) The Secretary General of Parliament shall forward copies of the request referred to in subsection (1) to the President and the Constitutional Council.

(3) Upon receipt of such copies, the President shall, on the recommendation of the Constitutional Council, forthwith suspend the services of the person whose alleged disqualification is being inquired, until a decision is taken following such inquiry.

(4) If the Committee on Public Finance finds that there is a basis for, and recommends disqualification, the Secretary General of Parliament shall notify the President and the Constitutional Council of the same and the President shall, on the recommendation of the Constitutional Council, after assigning reasons therefor, remove the Parliamentary Budget Officer or the Deputy Parliamentary Budget Officer from such office.

(5) If the Committee on Public Finance finds that there is no basis for a disqualification, the Secretary General of Parliament shall notify the President and the Constitutional Council of the same and the President shall revoke the suspension made under subsection (3).

18. The Parliamentary Budget Officer or the Deputy Parliamentary Budget Officer may resign from office at any time by letter addressed to the President and such resignation shall take effect on the date specified in the letter or on the date such letter is received by the President, if no date is specified.

Resignation
from Office

Filling vacancy
on the
expiration of the
term of office,
death, removal
or resignation

19. (1) In the event of any vacation of office by the Parliamentary Budget Officer or the Deputy Parliamentary Budget Officer due to death, removal, resignation or on the expiration of the term of office, the Secretary General of Parliament shall invite fresh applications for the respective offices in terms of section 14.

(2) A person appointed pursuant to subsection (1) shall be appointed for a term of five years.

Temporary
absence

20. (1) Where the Parliamentary Budget Officer is temporarily unable to perform the duties of his office due to ill health, absence from Sri Lanka or for any other reason, the Deputy Parliamentary Budget Officer may act in his place until the Parliamentary Budget Officer is able to perform his duties.

(2) Where the Deputy Parliamentary Budget Officer is temporarily unable to perform the duties of his office due to ill health, or absence from Sri Lanka or for any other reason, the Parliamentary Budget Officer may appoint a person to act in his place taking in to consideration of sections 10 and 16 until the Deputy Parliamentary Budget Officer is able to perform his duties.

Remuneration

21. The salaries and other remunerations of the Parliamentary Budget Officer and the Deputy Parliamentary Budget Officer shall be determined by Parliament. Such salaries and other remunerations shall be charged on the Consolidated Fund and shall not be diminished during their terms of office.

PART III

OPERATION OF THE PARLIAMENTARY BUDGET OFFICE

22. The Parliamentary Budget Officer shall have power to -

- (a) recruit and appoint officers and employees to the staff of the Parliamentary Budget Office in accordance with the rules made under section 45;
- (b) discipline and dismiss officers and employees of the Parliamentary Budget Office in accordance with the rules made under section 45;
- (c) determine the salaries and other remunerations of the officers and employees of the Parliamentary Budget Office;
- (d) obtain the services from any person who has knowledge and experience in the government budgeting, financial policy, fiscal policy, macroeconomic analysis or such other relevant field of expertise, to assist the Parliamentary Budget Office to perform its responsibilities under the Act;
- (e) enter into agreements with any person to assist in the operation of the Parliamentary Budget Office or to assist the Parliamentary Budget Office to perform its responsibilities under the Act;
- (f) appoint a secretary for the Parliamentary Budget Office;
- (g) request access to and make arrangements for the timely examination and digital transfer in malleable formats of any written or electronic record, data, analysis, modelling, or other information possessed by any Public Institution, relating to the requests made under section 29;

The powers, duties and functions to operationalise and manage the Parliamentary Budget Office

- (h) request the methodology and assumptions underlying the budget and other fiscal proposals prepared by Public Institutions and tabled in Parliament by the Government;
- (i) enter into arrangements with Public Institutions for the automatic transmittal of budgeting and costing data to the Parliamentary Budget Office at such time and duration as may be appropriate;
- (j) make rules in respect of all matters for which rules are authorised or required to be made under this Act; and
- (k) generally, do all such acts and things as are necessary for, or incidental or conducive to the carrying out or attainment of the objectives of the Parliamentary Budget Office.

Prepare an
Action Plan for
the
Parliamentary
Budget Office

23. (1) The Parliamentary Budget Officer shall, in consultation with the Members of Parliament, Committee, the Advisory Committee referred to in section 15 and any relevant officer of the staff of Parliament, prepare an action plan for the Parliamentary Budget Office for each financial year.

(2) The action plan shall include-

- (a) the priorities of the Parliamentary Budget Office for the financial year; and
- (b) the protocol for the allocation of the resources of the Parliamentary Budget Office during such financial year to meet such priorities.

(3) The action plan for each financial year shall be prepared in line with the period specified in the budget call circulars, as may be applicable.

(4) The first action plan for the Parliamentary Budget Office shall be prepared within three months from the date of appointment of the Parliamentary Budget Officer.

24. (1) The Parliamentary Budget Officer may delegate in writing to the Deputy Parliamentary Budget Officer or any officer or employee of the Parliamentary Budget Office any power, duty or function conferred or imposed on him by this Act. Such officer or employee shall exercise, perform and discharge such power, duty and function, subject to the direction and control of the Parliamentary Budget Officer.

Delegation of powers

(2) The Parliamentary Budget Officer may, notwithstanding any delegation made under subsection (1), individually exercise, perform or discharge such power, duty and function so delegated and in doing so may at any time revoke any such delegation.

25. The Parliamentary Budget Officer may designate a competent authority from among the officers and employees of the Parliamentary Budget Office to be a person who shall process information as directed by the Parliamentary Budget Officer.

Designate a competent authority

PART IV

INDEPENDENCE AND ACCOUNTABILITY OF THE PARLIAMENTARY BUDGET OFFICE

26. (1) No person shall cause any undue influence on the Parliamentary Budget Officer, the Deputy Parliamentary Budget Officer, or any officer or employee of the Parliamentary Budget Office, any member of Advisory

Independence of the Parliamentary Budget Officer

Committee referred to in section 15 or a member of any committee referred to in sub paragraph (d) of subsection (2) of section 29 or any person providing any service, to the Parliamentary Budget Office in the exercise, performance, and discharge of their powers, duties and functions or interfere with the activities of the Parliamentary Budget Office.

(2) The Parliamentary Budget Officer shall-

- (a) exercise, perform and discharge his powers, duties and functions, objectively, transparently and impartially; and
- (b) disclose to the public any agreement entered in to with any public institution and such other requests, findings and policy costings as required under this Act.

Accountability
to Parliament

27. (1) The Parliamentary Budget Officer shall provide information to Parliament on the operation of the Parliamentary Budget Office as required by Parliament.

(2) The Parliamentary Budget Officer shall prepare an annual report on the operation and administration of the Parliamentary Budget Office which shall be submitted to the Committee on Public Finance within four months of the commencement of its financial year.

(3) The Committee on Public Finance shall -

- (a) review the Parliamentary Budget Office's annual report;
- (b) assess the reasonableness of the draft estimate of expenditure, based on the action plan prepared by the Parliamentary Budget Officer under section 23;
- (c) consider the operation and sourcing resources of the Parliamentary Budget Office in relation to its objectives; and

- (d) report to Parliament any matter related to the operation of the Parliamentary Budget Office which has an impact on the ability of the Parliamentary Budget Office to perform its responsibilities under this Act.

28. (1) After the conclusion of an election, the Committee on Public Finance may, within fourteen days of such Committee being constituted by Parliament, request the Parliamentary Budget Officer to initiate an independent review of the operation of the Parliamentary Budget Office.

Independent
review of the
Parliamentary
Budget Office

(2) A request under subsection (1) shall include -

- (a) the preferred person or body to conduct the review;
- (b) the scope of the review;
- (c) the way the review is to be conducted; and
- (d) the matters which shall be included in the report on the review to be submitted to the Committee on Public Finance.

(3) The independent review shall be completed within nine months from the date of the request for such review by the Committee on Public Finance.

(4) The Committee on Public Finance shall cause such report to be tabled in Parliament as soon as practicable after receiving such report.

(5) If an independent review has not been requested by the Committee on Public Finance within the last five years, the Parliamentary Budget Officer shall request any person, within or outside Sri Lanka (including similar institutions in other jurisdictions or international organizations), to conduct an independent external or peer review of the performance of the Parliamentary Budget Office.

PART V

PROVISIONS TO FACILITATE SCRUTINY AND TRANSPARENCY

Analytical
functions of the
Parliamentary
Budget Office

29. (1) The Parliamentary Budget Office shall perform the following analytical functions to requests from Committees and Members of Parliament, and any recognised political party or independent group, and shall form part of its regularly published analyses –

- (a) economic and fiscal forecasts and projections, including analyses of long-term fiscal sustainability, debt sustainability, compliance with fiscal rules and targets, and tracking of budgeting measures against strategic goals;
- (b) general analysis of annual and supplementary budget proposals the Government tables in Parliament;
- (c) specific budget analysis in response to requests from Committees and Members of Parliament;
- (d) costing analysis of legislative and policy proposals tabled by the Government or prepared by Parliament;
- (e) costings of policies and proposals included in the manifestos of a recognised political party or independent group following the dissolution of Parliament and in the lead-up to elections; and
- (f) general analytical studies, taken up at the discretion of the Parliamentary Budget Officer, intended to benefit Parliament's performance of its public finance responsibilities.

(2) The Parliamentary Budget Office shall exercise methodological independence in determining the approach to be taken when performing the functions outlined in subsection (1), including, -

- (a) drawing on the most recent economic forecast limits and fiscal estimates issued under the provisions of the Fiscal Management (Responsibility) Act, No. 3 of 2003;
- (b) adopting alternate conventions, assumptions, forecasts, and estimates to test the veracity of the analysis underpinning proposals;
- (c) curating independent datasets and models that can be used to perform analytic functions; or
- (d) establishing any committee to help shape different approaches of analysis or, peer-review panel to test the strength of the analysis provided to Parliament.

30. (1) The Parliamentary Budget Officer shall put in place appropriate safeguards regarding the protection of private and sensitive information held by Public Institutions that the Parliamentary Budget Office needs to use to conduct the analytical functions specified in section 29.

Access to
information

(2) Any information relating to the national security of Sri Lanka, the disclosure of which is prejudicial to national security, shall be examined personally by the Parliamentary Budget Officer with the concurrence of the Minister responsible for the relevant department, agency or organisation that is the holder of the information in order to determine if the information is critical to the functional analysis of the Parliamentary Budget Office conducted pursuant to section 29.

(3) The public institution shall, with the exception of the information related to national security, furnish the said information in such manner and on such date as required by the Parliamentary Budget Officer.

(4) Where a public institution estimates that it may be unable to produce the information within the period specified by the Parliamentary Budget Officer, the public institution may propose to the Parliamentary Budget Officer, in writing, an alternate date for production of the information. The discretion as to whether to alter the date of production shall rest with the Parliamentary Budget Officer.

(5) Where any public institution fails to furnish such information on the date specified in the request or by the revised date, the Parliamentary Budget Officer may request the Speaker to reissue a request for information to such Public Institution in accordance with the Parliamentary (Powers and Privileges) Act (Chapter 383).

(6) Every official and employee of a public institution shall comply with the provisions of this section, and such compliance shall not be considered a violation of any written law, regulation, agreement or procedure pertaining to secrecy, confidentiality or non-disclosure of information held and managed by that public institution.

Transparency

31. (1) The Parliamentary Budget Officer shall, subject to the provisions of this Act, ensure that the information specified in subsection (2) is made available to the public in the Sinhala, Tamil and English languages by electronic or digital means and be published in the *Gazette*.

(2) The information referred to in subsection (1) shall include –

- (a) any rule, principle or guideline that is required to be made, issued or published under this Act;
- (b) proposed release dates of routine reports aligned with the annual budgeting process;
- (c) routine Parliamentary Budget Office reports and analyses, including a full account of the underlying data, subject to subsection (1) of section 30, assumptions and methodology used in the preparation of the analyses;
- (d) reports and analyses prepared by the Parliamentary Budget Office in response to a specific request from a Committee or a Member of Parliament including a full account of the underlying data, subject to subsection (1) of section 30, assumptions and methodology used in the preparation of the analyses;
- (e) costing analyses of the manifestos of recognised political parties or independent groups including a full account of the data used, assumptions, and methodology;
- (f) the annual report of the Parliamentary Budget Office submitted to Parliament; and
- (g) action plan of the Parliamentary Budget Office for each financial year prepared under section 23.

32. The Right to Information Act, No. 12 of 2016 shall be applicable in respect of the matters connected with or incidental to the provisions of this Act.

Application of
the Right to
Information Act,
No. 12 of 2016

PART VI

PROCEDURE TO OBTAIN ASSISTANCE OF THE PARLIAMENTARY
BUDGET OFFICE

Guidelines for
requesting an
analysis from
the
Parliamentary
Budget Office

33. (1) Any Committee, Member of Parliament, recognized political party or independent group may request the Parliamentary Budget Office to prepare an analysis as specified in section 29.

(2) The Parliamentary Budget Officer shall make rules and issue guidelines setting out –

- (a) the process, for Committees and Members of Parliament, to formally request the Parliamentary Budget Office to conduct an analysis;
- (b) the formats for such written requests;
- (c) the information to be included in the written request;
- (d) the manner a written request can be submitted; and
- (e) the methodology the Parliamentary Budget Office will use to prioritise requests.

(3) The Parliamentary Budget Officer shall make rules and issue guidelines setting out –

- (a) the process, for the leader of a recognised political party or independent group represented in Parliament, to formally request the Parliamentary Budget Office to conduct a costing analysis of its manifesto before the dissolution of Parliament;
- (b) the process, for the leader of a recognised political party or independent group contesting an election, to formally request the Parliamentary Budget Office to conduct a costing analysis of its manifesto after the dissolution of Parliament and before the polling date;

- (c) the format for such written requests;
- (d) the information to be included in the written request;
- (e) the manner a written request may be submitted;
and
- (f) the methodology the Parliamentary Budget Office shall use to priorities requests.

(4) The Parliamentary Budget Officer shall publish the rules and guidelines referred to in subsections (2) and (3) in the *Gazette* within six months of coming into operation of this Act and shall regularly review and update them in accordance with international best practice.

34. (1) A leader of either a recognised political party or an independent group that is represented in Parliament may make a request to the Parliamentary Budget Office to prepare a policy costing of a proposal in the manifesto prior to the dissolution of Parliament.

Request to
prepare policy
costing from a
recognised
political party or
independent
group

(2) Following the dissolution of Parliament, a leader of either a recognised political party or an independent group contesting the election may make a request to the Parliamentary Budget Office to prepare a policy costing of a proposal published in its manifesto, in accordance with such rules made by the Parliamentary Budget Officer.

(3) On receipt of a request, the Parliamentary Budget Officer shall conduct a policy costing and release such request and the policy costing to the public, as soon as practicable.

(4) Where the Parliamentary Budget Officer is unable to publicly release a policy costing conducted in response to a request made under subsection (1) or (2) prior to the polling date, he shall release a statement to the public assigning reasons therefor.

(5) The statement referred to in subsection (4) shall be released by the Parliamentary Budget Officer as soon as practicable following the polling date.

Reasons for
inability to
provide
assistance

35. (1) Where the Parliamentary Budget Officer is unable to prepare a costing of a policy or a proposed policy on any request made under section 33 prior to the dissolution of Parliament, or prior to the polling date, such request shall be considered as withdrawn with effect from the dissolution of Parliament or such date of polling if the Parliamentary Budget Officer -

- (a) has not received the necessary information; or
- (b) did not have sufficient time,

to prepare such costing of a policy or a proposed policy.

(2) A request made under section 33 may be withdrawn at any time by the leader referred to under subsection (3) of section 33 who made such request addressed to the Parliamentary Budget Officer in writing.

Post-election
report of the
election
commitments

36. (1) The Parliamentary Budget Officer shall prepare a post-election report of the fiscal and financial implication of the election proposals made by and included in the manifestos, of any recognised political party or independent group elected to Parliament.

(2) The provisions of subsection (1) shall not apply to costing requests that the Parliamentary Budget Office has prepared and published prior to an election.

PART VII

FINANCE

Draft estimate of
expenditure of
the
Parliamentary
Budget Office

37. (1) The Parliamentary Budget Officer shall submit the draft estimate of expenditure to the Committee on Public Finance for the ensuing financial year in accordance with the guidelines for the preparation of the budget within the time period as specified in the Budget Call Circular issued by the Department of National Budget of the General Treasury.

(2) The Committee on Public Finance shall assess the reasonableness of the draft estimate of expenditure, based on the action plan, and report to the Parliamentary Budget Officer and Parliament in accordance with the guidelines for the preparation of the budget within the time period as specified in the Budget Call Circular issued by the Department of National Budget of the General Treasury.

(3) The Parliamentary Budget Officer shall forward the draft estimate of expenditure to the Minister assigned the subject of Finance to be included in to the budget in accordance with the guidelines for the preparation of the budget within the time period as specified in the Budget Call Circular issued by the Department of National Budget of the General Treasury.

38. (1) The Parliamentary Budget Office shall have its own Fund.

Fund of the
Parliamentary
Budget Office

(2) There shall be paid into the Fund –

- (a) all such sums of money as may be voted from time to time by Parliament; and
- (b) all such sums of money as may be received by the Parliamentary Budget Office by way of donations, gifts and grants from any source whatsoever:

Provided that, the Parliamentary Budget Officer shall obtain the prior written approval of the Department of External Resources, in respect of all donations, gifts and grants received by or made to the Parliamentary Budget Office.

(3) There shall be paid out of the Fund –

- (a) all such sums of money required to defray the expenditure incurred by the Parliamentary Budget Office;
- (b) all such sums of money required to defray the expenditure incurred by the Parliamentary Budget Officer, Deputy Parliamentary Budget Officer and the officers and employees of the Parliamentary

Budget Office in the exercise, performance and discharge of their powers, duties and, functions under the provisions of this Act; and

- (c) all such sums of money as are required to be paid out of the Fund, under this Act.

Budget Office to maintain accounts

39. The Parliamentary Budget Office may open and maintain any account with any bank as it may think appropriate, and such account shall be operated in accordance with prevailing financial regulations of the Government pertaining to financial transactions of public corporations.

Financial year and audit of accounts

40. (1) The financial year of the Parliamentary Budget Office shall be the calendar year.

(2) The Parliamentary Budget Office shall cause proper books of accounts to be kept of the income and expenditure, assets and liabilities and all other financial transactions of the Parliamentary Budget Office.

(3) For the purpose of presenting a true and fair view of the financial performance and financial condition of the Parliamentary Budget Office, the Parliamentary Budget Office shall prepare its accounts in accordance with the Sri Lanka Accounting Standards adopted by the Institute of Chartered Accountants of Sri Lanka under the Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995 or any other applicable written law in force.

(4) The provisions of Article 154 of the Constitution relating to the audit of accounts of public corporations shall apply to the audit of the accounts of the Parliamentary Budget Office.

PART VIII

GENERAL

41. (1) The Parliamentary Budget Officer, Deputy Parliamentary Budget Officer, officers and employees of the Parliamentary Budget Office shall not be liable for any act done or purported to be done or any omission made in good faith during the exercise, performance or discharge of their powers, duties or functions under this Act.

Immunity for acts done in good faith

(2) The immunity granted under subsection (1) shall not extend to –

- (a) liability for a criminal offence under any written law for the time being in force; and
- (b) any act done in contravention of the provisions of this Act, or any other applicable written law.

42. The Parliamentary Budget Office shall be deemed to be a Scheduled Institution within the meaning of the Bribery Act (Chapter 26) and the provisions of that Act shall be construed accordingly.

Budget Office deemed to be a Scheduled Institution

43. The Parliamentary Budget Officer, the Deputy Parliamentary Budget Officer and the employees and the officers of the Parliamentary Budget Office shall be deemed to be public servants within the meaning and for the purpose of the Penal Code (Chapter 19).

Public servants

44. (1) All expenses incurred by the Parliamentary Budget Office in any suit or prosecution brought by or against it before any court, shall be paid out of the Fund of the Parliamentary Budget Office and only costs paid to or recovered by the Parliamentary Budget Office in any such suit or prosecution, shall be credited to the Fund of the Parliamentary Budget Office.

Expenses in suit or prosecution to be paid out of the Fund of the Parliamentary Budget Office

(2) Any expenses incurred by the Parliamentary Budget Officer, Deputy Parliamentary Budget Officer, any officer or employee of the Parliamentary Budget Office, 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 by such person under this Act shall, if the court holds that such act was done in good faith, be paid out of the Fund of the Parliamentary Budget Office, unless such expenses are recovered by him in such suit or prosecution.

Rules to be
approved by
Parliament

45. (1) Subject to the provisions of this Act, the Parliamentary Budget Officer may make rules in respect of all matters for which rules are authorised or required to be made to achieve the objectives of this Act.

(2) Every rule made under subsection (1), shall be published in the *Gazette* and shall come into operation on the date of publication, or on such later date as may be specified in such rule.

(3) Every rule made under subsection (1), shall, not later than three months after its publication in the *Gazette*, be placed before Parliament for approval. Every rule 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.

(4) A notification of the date of such disapproval shall be published in the *Gazette*.

Interpretation

46. In this Act, unless the context otherwise requires –

“budget” shall include the Appropriation Act for the relevant fiscal year;

“budget call circular” means a circular issued by the Department of National Budget, requesting submission of the revenue and expenditure of public institution for the relevant fiscal year for the purpose of preparation of the budget;

“Committee” means any Committee of Parliament;

“Committee on Public Finance” and “Committee on Ways and Means” means the Committee on Public Finance and Committee on Ways and Means appointed by Parliament in terms of the Standing Orders;

“Constitutional Council” means the Constitutional Council referred to in Article 41A of the Constitution of the Democratic Socialist Republic of Sri Lanka;

“costing” means an assessment of the cost of a policy proposal referred to in section 4 or a Bill tabled in Parliament, if implemented would change the budget surplus or deficit or would best suit the resources of the country in relation to the existing laws but -

- (a) it is not an assessment of the merits of a policy and it should not provide any policy recommendations;
- (b) it does not assess any economic impacts of a policy or Bill except the impact on the budget; and
- (c) it does not assess the non-financial impacts of a policy;

and shall include-

- (i) an assessment of the overall cost of the proposal;
- (ii) the description of the methodology used to prepare the policy costing; and
- (iii) the inputs used for the analysis;

“election” means an election under the Parliamentary Elections Act, No.1 of 1981;

“independent group” means a group consisting of Members of Parliament, politicians or candidates at an election, who are not otherwise affiliated with or is a member of, any recognised political party;

“information” shall include-

- (a) financial, commercial, individual and programme data possessed by public institution;
- (b) financial models and costing models; and
- (c) non-financial data, such as data from the Department of Census and Statistics, and legal advice that the Government relies on to design and implement a policy or Bill tabled on Parliament;

“manifesto” means a publication issued by a recognised political party or an independent group before an election and may include any commitments made at an election platform;

“public corporation” shall have the same meaning assigned to such expression in the Constitution Democratic Socialist Republic of Sri Lanka;

“Public Institution” means any Ministry, Department of Government, public corporation, local authority and business

or other undertaking within the meaning of the Conversion of Government Owned Business Undertakings into Public Corporations Act, No. 22 of 1987, or a company registered or deemed to be registered under the Companies Act, No. 07 of 2007, in which the Government, a public corporation or any local authority holds more than fifty per centum of the shares and any Ministry or Department of any Provincial Council or any Authority established by or created by a Provincial Council;

“public resources” means any property or asset owned by any Public Institution, including, but not limited to, money, funds, land, buildings, facilities, equipment, supplies and vehicles; and

“recognised political party shall have the same meaning assigned to such expression in the Constitution Democratic Socialist Republic of Sri Lanka.

47. 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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CIVIL PROCEDURE CODE (AMENDMENT)
ACT, No. 7 OF 2023**

[Certified on 27th of June, 2023]

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This Act can be downloaded from www.documents.gov.lk



Civil Procedure Code (Amendment)
Act, No. 7 of 2023

[Certified on 27th of June, 2023]

L.D.—O. 35/2021

AN ACT TO AMEND THE CIVIL PROCEDURE CODE (CHAPTER 101)

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

1. This Act may be cited as the Civil Procedure Code (Amendment) Act, No. 7 of 2023. Short title

2. The following new section is hereby inserted immediately after section 431 of the Civil Procedure Code (Chapter 101), and shall have effect as section 431A of that Code:- Insertion of new section 431A in Chapter 101

“D. - COMMISSIONS FOR MEDICAL EXAMINATIONS

Commissions for medical examinations **431A.** (1) (a) Where the action is one for damages for injury to person, the court shall, on application made by any party and subject to such terms and conditions as it may determine, order the injured person to submit himself to medical examination by one or more but not exceeding three medical practitioners, nominated by the court.

(b) Upon such examination, the report shall be submitted to court on or before such date as may be specified. The court shall forthwith cause a copy of each such report to be served on each of the parties.

(2) It shall be lawful for any party to an action to have one or more medical practitioners of such party's choice to be present at such examination as an observer or observers.

(3) Where the injured person fails or refuses to comply with an order of court made under

2 *Civil Procedure Code (Amendment)*
Act, No. 7 of 2023

subsection (1), the court shall be entitled to draw all such inferences against such person as in all the circumstances of the case can properly be drawn by reason of such failure or refusal.

(4) Such report or reports may, without further proof be used as evidence of the facts stated therein at the trial:

Provided that, the court shall, on application made by any party to the action and upon such terms as to costs or otherwise as it may determine, order that the medical practitioner be summoned and examined orally on any matter arising from or in connection with the report or any statement of fact therein or any relevant fact which is alleged by any party to have been omitted therefrom.

(5) Every court shall, from time to time, prepare a list of medical practitioners residing in or engaged in the practice within the jurisdiction of such court, to whom an order may be made under subsection (1)(a) for a medical examination:

Provided however, the court shall, prior to the inclusion of the name of any medical practitioner in such list, make such inquiries as may be necessary to ascertain the regular availability of such medical practitioner to undertake such medical examination.

(6) For the purpose of this section, “medical practitioner” means a medical practitioner registered with the Sri Lanka Medical Council established under the Medical Ordinance (Chapter 105).”.

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.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CARRIAGE BY AIR (AMENDMENT)
ACT, No. 8 OF 2023**

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Carriage by Air (Amendment)
Act, No. 8 of 2023

[Certified on 14th of July, 2023]

L.D.-O. 33/2022

AN ACT TO AMEND THE CARRIAGE BY AIR
ACT, NO. 29 OF 2018

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

1. This Act may be cited as the Carriage by Air (Amendment) Act, No. 8 of 2023.

Short title
2. Section 5 of the Carriage by Air Act, No. 29 of 2018 is hereby amended by the insertion immediately after subsection (2) of that section, of the following new subsections:-

“(3) The Minister may, from time to time by Order published in the *Gazette*, specify the limits of liability as may be applicable to carriage by air not being international carriage by air.”.

Amendment of section 5 of Act, No. 29 of 2018
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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



**PARLIAMENT OF THE DEMOCRATIC
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ANTI-CORRUPTION ACT, No. 9 OF 2023

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This Act can be downloaded from www.documents.gov.lk



Anti-Corruption Act, No. 9 of 2023

[Certified on 08th of August, 2023]

L.D.–O. 61/2018

AN ACT TO GIVE EFFECT TO CERTAIN PROVISIONS OF THE UNITED NATIONS CONVENTION AGAINST CORRUPTION AND OTHER INTERNATIONALLY RECOGNIZED NORMS, STANDARDS, AND BEST PRACTICES; TO PROVIDE FOR THE ESTABLISHMENT OF AN INDEPENDENT COMMISSION TO DETECT AND INVESTIGATE ALLEGATIONS OF BRIBERY, CORRUPTION AND OFFENCES RELATED TO THE DECLARATION OF ASSETS AND LIABILITIES AND ASSOCIATED OFFENCES, AND TO DIRECT THE INSTITUTION OF AND INSTITUTE PROSECUTIONS FOR OFFENCES OF BRIBERY, CORRUPTION AND OFFENCES RELATED TO THE DECLARATION OF ASSETS AND LIABILITIES AND OTHER ASSOCIATED OFFENCES; TO PROMOTE AND ADVANCE THE PREVENTION OF CORRUPT PRACTICES; TO EDUCATE AND RAISE AWARENESS AMONGST THE PUBLIC TO COMBAT CORRUPTION; TO REPEAL THE BRIBERY ACT (CHAPTER 26), THE COMMISSION TO INVESTIGATE ALLEGATIONS OF BRIBERY OR CORRUPTION ACT, NO. 19 OF 1994 AND THE DECLARATION OF ASSETS AND LIABILITIES LAW NO. 1 OF 1975 AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

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

1. (1) This Act may be cited as the Anti-Corruption Act, No. 9 of 2023.

Short title and
date of
operation

(2) The provisions of this Act other than this section, shall come into operation on such date as the Minister may by Order published in the *Gazette* appoint:

Provided however, every provision of this Act shall come into operation not later than eighteen months from the date of coming into operation of this section.

(3) The provisions of this section shall come into operation on the date on which the certificate of the Speaker is endorsed thereon in respect of this Act in terms of Article 79 of the Constitution.

Objects of the Act

- 2.** (1) The objects of this Act shall be to-
- (a) prevent and eradicate bribery and corruption in order to meet the just requirements of the general welfare of a democratic society;
 - (b) enhance transparency in governance;
 - (c) strengthen integrity of governance and increase accountability;
 - (d) enhance public confidence in the Government and strengthen public participation to eradicate corruption;
 - (e) establish an Independent Commission, to exercise and perform the powers and functions under this Act and to carry out the responsibilities imposed thereon under this Act;
 - (f) mandate the said Commission to conduct preliminary inquiries and investigations into, and to prosecute against, bribery, corruption, offences relating to declaration of assets and liabilities and associated offences;
 - (g) to conduct and coordinate educational activities on the prevention of bribery and corruption;
 - (h) introduce an effective system for the declaration of assets and liabilities in order to prevent illicit enrichment by public officials;
 - (i) promote inter-agency cooperation and international collaboration in preventing bribery and corruption; and

- (j) give effect to obligations under the United Nations Convention against corruption and any other International Convention relating to the prevention of corruption to which Sri Lanka is a party and recognize international standards and best practices in order to establish a culture of integrity in Sri Lanka.

(2) For the purposes of this section, “governance” includes systems and processes that are designed to ensure accountability, transparency, responsiveness, rule of law and stability.

PART I

CHAPTER I

ESTABLISHMENT OF THE COMMISSION

3. (1) There shall be established, for the purposes of this Act, a Commission which shall be called and known as the Commission to Investigate Allegations of Bribery or Corruption (hereinafter referred to as the “Commission”).

Establishment of the Commission to Investigate Allegations of Bribery or Corruption

(2) The Commission 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 Commission shall have powers specified in this Act for the accomplishment of the objects of this Act and for the exercise of powers and performance of functions and carry out the responsibilities conferred on it under this Act.

(4) The Commission shall exercise and perform its powers and functions without being subject to any direction or other interference proceeding from any other person except a court or tribunal entitled under law to direct or supervise the Commission in the exercise or performance of such powers or functions.

(5) Every person who, without legal authority, interferes or attempts to interfere with the exercise or performance of the powers or functions of the Commission as referred to in subsection (4) of this section shall be guilty of an offence punishable by the High Court on conviction after trial without a jury with imprisonment of either description for a term which may extend to a period of one year or with fine or with both such imprisonment and fine and may, in addition-

- (a) be disqualified for a period not exceeding seven years from the date of such conviction from being an elector and from voting-
 - (i) at a referendum;
 - (ii) at any election of the President of the Republic; or
 - (iii) at any election of a Member of Parliament, Provincial Council or any local authority; or
- (b) be disqualified from holding any public office or from being employed as a public officer.

Composition of
the Commission

4. (1) The Commission shall consist of three members appointed by the President on the recommendation of the Constitutional Council from among the following:-

- (a) a person who has expertise, reached eminence and has at least twenty years of experience in law; and
- (b) two persons who have expertise, reached eminence and have at least twenty years of experience in one or more of the following fields:-
 - (i) investigation of crime and law enforcement;
 - (ii) forensic auditing;

- (iii) forensic accounting;
 - (iv) engineering;
 - (v) international relations and diplomatic services;
 - (vi) management of public affairs; or
 - (vii) public administration.
- (2) Every member of the Commission shall-
- (a) be a citizen of Sri Lanka;
 - (b) be not more than sixty two years of age as at the date of appointment to the Commission;
 - (c) be physically and mentally fit;
 - (d) be competent, honest, of high moral integrity, and of good repute;
 - (e) have relinquished all other remunerated offices before being appointed as a member of the Commission:

Provided however, a person holding any remunerated office may be considered for appointment as a member of the Commission if such person relinquishes all remunerated offices prior to assuming office as such member;
 - (f) not carrying on any business or pursuing any profession while being a member of the Commission; and
 - (g) declare his assets and liabilities to the Constitutional Council according to the prevailing written laws before assuming office as such member.

(3) One of the members of the Commission shall be appointed by the President on the recommendation of the Constitutional Council to be the Chairman of the Commission.

Disqualifications from being a member of the Commission

5. A Person shall be disqualified from being appointed, or continuing as a member of the Commission, if such person—

- (a) has been convicted of a criminal offence other than an offence punishable with only a fine;
- (b) is adjudged an insolvent by a court of competent jurisdiction;
- (c) is or becomes of unsound mind or incapable of carrying out his duties under the Act;
- (d) is guilty of serious misconduct in relation to such person's duties;
- (e) fails to comply with his obligations under the provisions of this Act;
- (f) is, or has been an elected representative to any political office; or
- (g) holds or has held any post or membership in any political party recognized for the purposes of presidential elections, parliamentary elections, provincial council elections, or any local government elections conducted under the provisions of respective laws applicable therefor.

Removal of a member of the Commission

6. (1) A member of the Commission shall not be removed from office except by an Order of the President made after an address of Parliament on a resolution for such an address, supported by a majority of the total number of Members of Parliament (including those not present) has been presented

for such removal on the ground of proved misconduct or physical, mental or other incapacity of a permanent nature or a disqualification under section 5 of this Act:

Provided that no resolution for the presentation of such an address shall be entertained by the Speaker or placed on the Order Paper of Parliament, unless notice of such resolution is signed by not less than one-third of the total number of Members of Parliament and sets out full particulars of the alleged misconduct or incapacity.

(2) The procedure for the presentation and passing of an address of Parliament for the removal of a Judge of the Supreme Court or the Court of Appeal specified in paragraph (3) of Article 107 shall *mutatis mutandis* shall apply in all respects to the presentation and passing of an address of Parliament for the removal of a member of the Commission.

7. (1) A member of the Commission may at any time resign from his office by a letter addressed to the President in that behalf and such resignation shall take effect upon it being accepted by the President in writing.

Resignation of a member of the Commission

(2) The President shall on the recommendation of the Constitutional Council appoint a new member in place of the member who resigned, within two weeks of the resignation of such member.

8. (1) Every member of the Commission shall, unless such member earlier vacates office by death, resignation or removal, hold office for a period of three years and shall not be eligible for reappointment:

Term of office of the members of the Commission

Provided however, the members of the First Commission appointed under the provisions of this Act shall hold office from the date of appointment in the following manner:-

- (a) the Chairman shall hold office for a period of five years;
- (b) one other Commissioner other than the Chairman shall hold office for a period of four years; and
- (c) the remaining Commissioner shall hold office for a period of three years.

(2) Where a vacancy arises in the office of a member of the Commission due to the expiration of his period of office, such member shall continue in such office until a new member is appointed in his place by the President on the recommendation of the Constitutional Council within three months of the occurring of such vacancy.

Remuneration of the members of the Commission

9. The remunerations of the members of the Commission shall be-

- (a) determined by Parliament; and
- (b) charged on the Consolidated Fund and shall not be diminished during their terms of office.

Members of the Commission to disclose any interest

10. (1) A member of the Commission shall submit to the Constitutional Council, a general disclosure of his interests as at the date of such appointment before assuming office as such member.

(2) A member of the Commission who is directly or indirectly interested in any matter that is to be taken up before the Commission shall disclose the nature of such interest to the Commission and shall not take part in any deliberation or decision of the Commission with regard to that matter.

11. No act or decision or proceeding of the Commission shall be invalidated by reason only of the existence of a vacancy among the members or of any defect in the appointment of a member thereof.

Acts not invalidated by reason of a vacancy

12. (1) The seal of the Commission shall be in the custody of the Chairman of the Commission.

Seal of the Commission

(2) The seal of the Commission may be altered in such manner as may be determined by the Commission.

(3) The seal of the Commission shall not be affixed to any instrument or document except in the presence of a member of the Commission and the Director-General of the Commission or in the absence of the Director-General, in the presence of any two members of the Commission, who shall sign the instrument in token of their presence.

13. The Commission shall be responsible and answerable to Parliament for the discharge of its functions under the provisions of this Act and shall forward to Parliament in each calendar year reports relating to its activities during such year, in accordance with the provisions of section 159 of this Act.

Commission to be answerable to Parliament

14. (1) The quorum of the Commission to exercise its powers and discharge its functions under section 41 and subsection (1) of section 65 shall be two members.

Quorum of the Commission

(2) The quorum of the Commission to exercise any power or discharge any function under this Act other than the powers and functions specified under section 41 and subsection (1) of section 65, shall be three members and in the event of any disagreement, the majority decision shall prevail.

Code of Conduct **15.** (1) The members of the Commission, the Director-General and the Staff of the Commission shall be subject to the Code of Conduct of the Commission. The Code of Conduct shall be as prescribed by regulations.

(2) Any officer, or employee of the Commission or any other person whose services are retained under section 27, who is found to be in breach of any provision or provisions of such Code, shall be subject to the procedure to be specified by rules made by the Commission under this Act.

Responsibilities of the Commission **16.** (1) The Commission shall take reasonable steps to prevent corruption by the members of its staff in relation to their office by emphasizing and enforcing rules and providing appropriate education or training relating thereto.

(2) Any member of the Commission, the Director-General, employee or any person whose services are retained under section 27 who is directly or indirectly compelled to act by any person in an unlawful, improper or unethical manner which involves maladministration, or which is otherwise inconsistent with the Code of Conduct of the Commission shall make a complaint in that respect according to the procedure specified by the Commission.

(3) The Commission shall ensure that no prejudice is caused to any person who makes a complaint under subsection (2).

CHAPTER II

DIRECTOR-GENERAL AND THE STAFF OF THE COMMISSION

Appointment of the Director-General **17.** (1) The President shall on the recommendation of the Constitutional Council and after consulting the members of the Commission appoint a Director-General (hereinafter

in this Act referred to as the “Director-General”) to the Commission to discharge the powers, perform the duties and carry out the functions assigned to him under this Act.

(2) The Director-General shall submit to the Constitutional Council, a general disclosure of his interests as at the date of his appointment, before assuming office as Director-General.

(3) The Director-General who is directly or indirectly having any interest in any matter that is to be taken up before the Commission shall disclose the nature of such interest and shall not take part in any deliberation or decision of the Commission with regard to that matter, unless the Commission decides otherwise:

Provided that, this will not impede the responsibility of the Director-General to sign indictments on the direction of the members of the Commission.

18. The Director-General shall—

- (a) institute criminal proceeding on an indictment or a charge sheet on the direction of the Commission;
- (b) be the Chief Executive Officer of the Commission;
- (c) be the Chief Accounting Officer of the Commission; and
- (d) carry out all such other duties and functions necessary to achieve the objects of this Act.

Powers and
Functions of the
Director-General

19. (1) The person appointed as the Director-General shall—

- (a) be a citizen of Sri Lanka;

Qualifications
and
disqualifications
to be appointed
as the Director-
General

- (b) be physically and mentally fit;
- (c) be an Attorney-at-Law with at least fifteen years experience and sound knowledge in criminal prosecutions;
- (d) be not more than fifty-five years of age as at the date of appointment;
- (e) be competent, of high moral integrity, and of good repute;
- (f) have relinquished all other remunerated offices before assuming office as the Director-General:

Provided however, a person holding any remunerated office may be considered for appointment as the Director-General if such person relinquishes all remunerated offices prior to assuming office as Director-General; and

- (g) have declared his assets and liabilities under the prevailing written law before assuming office as the Director- General:

Provided however, that the provisions of paragraph (f), shall not prevent the appointment of any public officer in the Government Service on secondment as the Director-General.

(2) A Person shall be disqualified from being appointed, or continuing as the Director-General if such person—

- (a) has been convicted of a criminal offence other than any offence punishable with only a fine;
- (b) is adjudged an insolvent by a court of competent jurisdiction;
- (c) is or becomes of unsound mind or incapable of carrying out his duties under the Act;

- (d) is guilty of serious misconduct in relation to such person's duties;
- (e) fails to comply with his obligations under the provisions of this Act;
- (f) is, or has been, an elected representative to any political office; or
- (g) holds or has held any post or membership in any political party recognized for the purposes of presidential elections, parliamentary elections, provincial council elections, or any local government elections conducted under the provisions of respective laws applicable therefor.

- 20.** The Director-General may resign from his office at any time by letter in that behalf addressed to the President. Resignation of the Director-General from office
- 21.** The President may, in consultation with the Commission, on any one or more grounds for disqualification set out in subsection (2) of section 19 or where the conduct of the Director-General negatively impacts on the exercise of the powers and functions of the Commission and after giving the Director-General an opportunity to be heard in person or by a duly appointed representative, remove him from office, subject to the approval of the Constitutional Council. Removal of the Director-General
- 22.** Where the office of the Director-General becomes vacant due to the death, resignation or removal as the case may be, the President shall appoint another person for the post of Director-General within three months having due regard to the provisions of section 17. Death, resignation or removal of the Director-General
- 23.** (1) The Director-General shall, unless he earlier vacates office by death, resignation or removal, hold office for a period of five years and shall not be eligible for reappointment. Term of office of the Director-General

(2) The Director-General on vacating office at the expiration of the period of office shall continue to function in his capacity as Director-General until a new Director-General is appointed.

(3) The President shall on the recommendation of the Constitutional Council appoint a new Director-General, within three months of such expiration.

Remuneration of the Director-General

24. The remuneration of the Director-General shall be determined by Parliament, shall be charged on the Consolidated Fund and shall not be diminished during his period of service with the Commission.

Director-General may delegate powers

25. (1) The Director-General may delegate to any other competent officer appointed under the provisions of this Act to assist the Commission any power, function, or duty of the Director-General except the power of delegation conferred on him by this section and the powers and functions under paragraphs (a) and (c) of section 18 and such other officer may exercise those powers and perform such functions and discharge such duties subject to the control and supervision of the Director-General.

(2) In the event the office of the Director-General becomes vacant due to death, resignation, removal or dismissal, the powers, functions, or duties of the Director-General shall be delegated to any other competent officer appointed under the provisions of this Act to assist the Commission by the President in Consultation with the Commission until a new appointment is made within three months of such vacancy under section 22.

Officers and employees of the Commission

26. (1) The Commission may subject to the rules made under this Act appoint such other officers and employees as it may deem necessary for the efficient discharge of its functions.

(2) The officers and employees appointed under subsection (1) shall be remunerated in such manner and at such rates and shall be subject to such conditions of service as may be determined by the Commission in consultation with the Minister assigned the subject of Finance and approved by Parliament and the remuneration paid to them shall be charged on the Consolidated Fund.

(3) The persons whose services are retained under section 27 shall be remunerated in such manner and at such rates and shall be subject to such conditions of service as may be determined by the Commission and the remuneration shall be charged on the Fund of the Commission.

(4) At the request of the Commission any member of the Local Government Service constituted under Local Government Service Law, No. 16 of 1974 or any other officer or official of a local authority, may, with the consent of such member or officer and the Local Government Service Commission established by section 3 of the Local Government Service Law, No. 16 of 1974, or the local authority, as the case may be, be temporarily appointed to the staff of the Commission for such period as may be determined by the Commission with like consent or be permanently appointed to such staff on such terms and conditions including those relating to pension or provident fund rights as may be agreed upon by the Commission and the Local Government Service Commission or that local authority as the case may be.

(5) At the request of the Commission any officer in the public service may, with the consent of such officer and the Public Service Commission and the appointing authority of such officer be temporarily appointed to the Commission for such period as may be determined by the Commission with like consent, or be permanently appointed to such staff.

(6) Where any officer in the Public Service is temporally appointed to the staff of the Commission, 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 such officer.

(7) Where any officer in the Public Service is permanently appointed to the staff of the Commission, 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 such officer.

(8) At the request of the Commission any officer or employee of a public corporation may, with the consent of such officer or employee and the governing board of such corporation, be temporarily appointed to the staff of the Commission for such period as may be determined by the Commission with like consent or be permanently appointed to the staff of the Commission on such terms and conditions, including those relating to pension or provident fund rights, as may be agreed upon by the Commission and the governing board of such corporation.

(9) At the request of the Commission any member of the Sri Lanka State Audit Service established under section 30 of the National Audit Act, No. 19 of 2018, may with the consent of such member and the Audit Service Commission be temporarily appointed to the staff of the Commission for such period as may be determined by the Commission with like consent or be permanently appointed to the staff of the Commission on such terms and conditions, including those relating to pension or provident fund rights, as may be agreed upon by the Commission and the Audit Service Commission.

Commission to
obtain services
of other
personnel

27. The Commission may obtain the services of such other officers and employees on fixed-term contracts as it considers necessary for the proper and effective performance of its powers and functions.

28. (1) Any member of the Commission, the Director-General or any officer or employee of the Commission or any other person whose services are retained under section 27 shall not disclose any information received by him, or coming to his knowledge, in the exercise and the discharge of his powers and functions under this Act, except for the purpose of giving effect to the provisions of this Act or where provision has been made under this Act to share information.

Declaration to be signed before entering upon duties

(2) Every member of the Commission, the Director-General and every officer or employee of the Commission or any other person whose services are retained under section 27 shall, before entering upon the duties of his office, sign a declaration to the effect that he will not disclose any information received by him, or coming to his knowledge, in the exercise and the discharge of his powers and functions under this Act, except for the purpose of giving effect to the provisions of this Act.

(3) Notwithstanding the provisions of subsection (1), the Director-General may, subject to the provisions of subsection (1) of section 5 of the Right to Information Act, No. 12 of 2016 and with the permission of the Commission, disclose such information as the Commission considers necessary in the public interest, for the purposes of publication in the press, media and social media with a view of enhancing the transparency and accountability of the Commission towards the public.

29. (1) The members of the Commission, the Director-General and officers and employees of the Commission and any other person whose services are retained under section 27 shall be deemed to be public servants within the meaning of the Penal Code (Chapter 19) and every investigation conducted under this Act shall be deemed to be a judicial proceeding within the meaning of the Penal Code (Chapter 19).

Members of the Commission, etc. deemed to be public servants

(2) The Director-General and every officer of the Commission shall be deemed to be peace officers within the meaning of the Code of Criminal Procedure Act, No. 15 of 1979.

Protection for actions

30. (1) No proceedings, civil or criminal, shall be instituted against a member of the Commission, the Director-General or any officer or employee of the Commission, or any other person whose services are retained under section 27 or against any other person assisting the Commission in any way, other than for contempt, for any act which is done or omitted to be done, in good faith by him in his capacity as such member of the Commission, Director-General, officer or employee of the Commission, a person whose services are retained under section 27 or a person assisting the Commission, in the execution of their duties.

(2) A member of the Commission or the Director-General or any officer or employee of the Commission or any person whose services are retained under section 27 shall not be required to produce in any court, any document received by, or to disclose to any court, any matter or thing, coming to the notice of the Commission in the course of any investigation conducted by the Commission under this Act, except as may be necessary for the purposes of proceedings before a court of law for contempt or for an offence under this Act or for an offence under Chapter XI of the Penal Code (Chapter 19).

(3) No proceedings, civil or criminal, shall be instituted in any court against any member of the Commission in respect of any report made by the Commission under this Act or against any other person in respect of the publication by such person of a substantially true account of such report.

CHAPTER III

FINANCE

The Commission to submit annual budget estimates for the incorporation in the national budget

31. (1) (a) The Commission shall prepare the annual budget estimates of the Commission within the period as specified by the Minister assigned the subject of Finance.

(b) The said estimates shall be submitted to the Speaker on such date as may be decided by the Speaker after consultation with the said Minister assigned the subject of Finance and the Commission. The Speaker shall table the said estimates in Parliament for its review with the observations of the Minister assigned the subject of Finance, who shall provide his observations to the Speaker within ten working days from its receipt of such annual budget estimates from the Speaker. The Parliament shall after having reviewed the annual budget estimates of the Commission forward the estimates to the Minister assigned the subject of Finance for the incorporation in the national budget with such modifications, if any, as Parliament thinks fit.

(2) Subject to the provisions of the Constitution and notwithstanding the provisions of subsection (1), all expenses for inquiries, investigations and prosecutions on any offence conducted by the Commission shall be charged on the Consolidated Fund.

(3) The Commission shall have its own Fund.

(4) There shall be paid into the Fund—

- (a) all such sums of money as may be voted upon from time to time by Parliament for the use of the Commission;
- (b) all such sums of money as may be received by the Commission by way of donations, gifts, bequests, or grants from any source whatsoever, whether within or outside Sri Lanka, subject to the approval of the Minister assigned the subject of Finance;
- (c) all such sums of money as are ordered to be paid as administrative fines to the Fund under section 90 of this Act;
- (d) all such sums of money as may be ordered to be paid as compensation to the Fund under the provisions of section 131 of this Act; and

- (e) all such sums of money proceeding from the sale of property received by the Commission or confiscated by the Commission in terms of this Act.

(5) There shall be paid out of the Fund all such sums of money required to defray any expenditure incurred by the Commission in the exercise, discharge and performance of its powers and functions.

(6) Where any money is received by way of donations, gifts, bequests or grants under paragraph (b) of subsection (4), the source and purpose for which such donation, grant, bequests or gift was made available shall be made public within one month of such receipt.

CHAPTER IV

POWERS AND FUNCTIONS OF THE COMMISSION

Appointment, promotion, etc. of the officers etc. of the Commission

32. (1) The appointment, promotion, disciplinary control and dismissal of the officers and employees of the Commission shall be vested in the Commission and shall be carried out in the manner as may be specified by the Commission by rules made in that behalf.

(2) The Commission shall make rules in relation to the officers other employees of the Commission including their appointments, promotions, remunerations, disciplinary control, dismissal, conduct and the grant of leave.

Central Authority on declarations of assets and liabilities

33. The Commission shall act as the central authority on declarations of assets and liabilities under Part II of this Act and for such purpose shall exercise the powers, discharge the duties and perform the functions of the Central Authority under this Act.

- 34.** (1) The Commission shall take all possible measures to give effect to the United Nations Convention Against Corruption and any other international obligations which Sri Lanka has undertaken to prevent corruption.
- Implementation of International Conventions, agreements, obligations etc.
- (2) The Director-General shall be the competent Authority in Sri Lanka for the purpose of giving effect to the United Nations Convention Against Corruption and any other International Conventions relating to the prevention of corruption to which Sri Lanka is a party.
- 35.** The Commission shall take all possible measures to enhance the awareness of the public and disseminate information to the public on detrimental effects of corrupt conduct and enlist and foster public support in combating any such corrupt conduct.
- Commission to enhance public awareness on corrupt conduct
- 36.** The Commission shall have the power to monitor and coordinate the implementation of effective, anti-corruption policies and practices of the Government.
- Monitoring the implementation of anti-corruption policies
- 37.** The Commission shall have the power to examine the laws, practices, and procedures of any public authority in order to discover acts of corruption and methods of work or procedures which, in its opinion, may be conducive to corruption.
- Examination of laws, etc to discover acts of corruption
- 38.** The Commission shall have the power to advise and assist any public authority on ways and means in which acts of corruption may be eliminated and how to promote the integrity and good repute of public administration.
- Advice and provide assistance to public bodies
- 39.** (1) The Commission may make recommendations to the Government for future legislative reforms as it considers necessary to minimize corruption and the adoption and ratification of international instruments relating to anti-corruption.
- Provide recommendations to the Government for legislative reforms to minimize corruption etc

(2) The Commission shall promote active participation of civil society, non-governmental and community based organizations, in the prevention of and the fight against corruption to raise public awareness regarding the existence of, causes and gravity of and threats posed by corruption.

Measures to prevent corruption and proper discharge of its functions etc.

40. The Commission may, for the achieving of the objects of this Act-

- (a) liaise with any public authority to facilitate the promotion of the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability;
- (b) liaise with the Government to review the relevant institutional, legal and procedural provisions to implement a coherent and coordinated anti-corruption strategy;
- (c) advise heads of Government Departments or of public authorities, of changes in practices or procedures compatible with the effective discharge of the duties of such Departments or public authorities which the Commission thinks necessary to reduce the likelihood of the occurrence of corrupt practices;
- (d) monitor the implementation of such anti-corruption measures by public authorities and may require such public authorities to report to it on its implementation status;
- (e) provide consultation, guidance, and advice to any institution public or private, on prevention strategies or measures to eradicate corruption;
- (f) instruct, advice and assist any person on ways in which corruption may be eliminated by such person;

- (g) to introduce codes of conduct for prevention and eradication of bribery and corruption which shall be adhered to by the private sector entities in order to develop proper conduct of business for the promotion of good commercial practices;
- (h) to introduce codes of conduct for prevention and eradication of bribery and corruption in the public sector which shall be adhered to in the public administration;
- (i) take measures to prevent corruption in the contractual relations between the Government and private sector entities;
- (j) take measures to enlist and foster public support against corruption; and
- (k) recruit interns and apprentices as the Commission may consider necessary for the effective discharge of its powers, duties and functions subject to such conditions of service as may be determined by the Commission; and

41. Subject to the provisions of this Act, the Commission shall hold a preliminary inquiry or conduct an investigation, as the case may be, regarding the allegations contained in any information or complaint made to it or any material received by it under section 42 where any such allegations or any material received discloses the commission of-

Investigations

- (a) an offence under Part II, and Chapter I and Chapter II of Part III of this Act other than any offence specified in Schedule A to this Act;

- (b) an offence under the Prevention of Money Laundering Act, No. 5 of 2006 when the unlawful activity within the meaning of that Act is committed in the same transaction together with an offence under the provisions of this Act;
- (c) an offence specified in Schedule A to this Act where such offence has been committed in the same transaction together with an act which constitutes an offence in terms of this Act; or
- (d) an offence specified in Schedule B to this Act, where such offence has been committed in connection with an offence in terms of this Act,

and direct the Director-General to institute proceedings against such person in respect of such offence in the appropriate court.

Preliminary
inquiry,
investigation,
and other
measures

42. (1) The Commission may commence the conduct of a preliminary inquiry—

- (a) upon receipt of any information;
- (b) upon receipt of a complaint;
- (c) *ex mero motu* by the Commission; or
- (d) based on any other material received by the Commission,

in relation to the commission of any act which may disclose the commission of an offence referred to in section 41.

(2) The purpose of conducting a preliminary inquiry shall be to determine whether there exist reasonable grounds to believe that an offence under the provisions of this Act has been committed.

(3) After the conduct of a preliminary inquiry, if the Commission is satisfied that an offence referred to in section 41 has been committed, the Commission shall direct the Director-General to conduct an investigation:

Provided that, if the Commission is satisfied that there exist reasonable grounds to believe the committing of an offence referred to in section 41, the Commission may authorize the conduct of an investigation without the conduct of a preliminary inquiry.

(4) The purpose of the investigation conducted by the Commission under subsection (3) is to-

- (a) determine whether an offence referred to in section 41 has been committed;
- (b) identify and trace witnesses to the commission of any offence referred to in paragraph (a) and any other relevant facts;
- (c) trace, interview, and record the statements of persons who may be acquainted with facts and circumstances pertaining to the committing of an offence referred to in section 41;
- (d) collect documents and material that has the potential of being converted into evidence in criminal proceedings;
- (e) determine the identity of persons who have committed an offence referred to in section 41;
- (f) trace, arrest, interview, and record the statement of any person who has committed an offence referred to in section 41;
- (g) determine whether to institute criminal proceedings or take any other lawful action against any person, for any offence referred to in section 41; or

(h) take any other appropriate measure provided for in this Act.

(5) On any information or a complaint received by the Commission, or if decided *ex mero motu* by the Commission, or on any other material received by the Commission, if the Commission is satisfied of the likelihood of an offence referred to in section 41 being committed, it may take measures as may be necessary to detect the committing of such offence and make investigations thereto.

(6) Notwithstanding anything to the contrary in this Act or any other written law, where the Commission, on a consideration of material collected in the course of an investigation or inquiry or both an investigation and inquiry as the case may be by a Commission of Inquiry appointed under the Commissions of Inquiry Act (Chapter 393) or by a Commission appointed under the Special Presidential Commissions of Inquiry Law, No. 7 of 1978, is satisfied that an offence referred to in section 41 has been committed, it shall direct the Director-General to institute criminal proceedings against the person or persons alleged to have committed such offence in terms of this Act.

(7) The Commission may prior to the institution of proceedings under subsection (6), direct to-

(a) conduct further investigations into the commission of any such offence;

(b) consider material that may have been collected in the course of an investigation conducted by the Commission prior to the receipt of the material referred to in subsection (6); and

(c) consider the material the Commission may have received from any other law enforcement authority.

(8) Notwithstanding anything to the contrary in this Act or any other written law, the Commission may, if it deems appropriate, forward the material collected and received under subsections (1), (3), (5), (6) and (7) to the Attorney-General or to any other authority to take any appropriate action under any other written law.

(9) The Commission shall not be required, unless it deems appropriate to, record a statement of a person who has given a statement to a Commission of Inquiry or to a Special Presidential Commission of Inquiry or has given evidence before any such Commission.

(10) The Commission shall have the power to investigate any matter disclosed by a communication received by it under subsection (1) whether or not such matter relates to a period prior to the appointed date and notwithstanding anything to the contrary in any other law.

(11) If the Commission decides not to act according to the provisions of subsections (1), (3), (5) or (6) of this section, reasons for such decision shall be recorded in writing and be communicated by the Commission to the person who made the complaint.

43. (1) A complaint or information relating to the commission of an offence referred to in section 41, may be made against a person whether or not such person is holding, on the date on which the complaint or information is received by the Commission, the office or employment by virtue of holding which he is alleged to have committed the act constituting an offence. Such complaint or information may be provided to the Commission orally, in writing or by electronic communication.

Complaints of offences

(2) The complaint given orally shall be reduced to writing in the language it was given, by any officer of the Commission as directed by the Commission as soon as possible:

Provided that, if it is not possible for the officer to record the complaint in the language in which it is given, the officer shall request that the complaint be given in writing. If the complainant is unable to give it in writing, the officer shall record the complaint in one of the national languages after recording the reasons for doing so and shall read over the record to the complainant or interpret it in the language such person understands.

(3) Notwithstanding anything to the contrary in any other written law, a public authority or a law enforcement authority, where in the exercise of its functions is of the opinion that an offence under the provisions of this Act may have occurred or suspected to have committed, such public authority or the law enforcement authority shall refer the matter to the Commission for investigation.

Complainant
may know
the progress

44. (1) Any person who has made a complaint under section 43 shall be provided with an update of the basic steps taken in relation to an investigation conducted under section 42 in a manner which does not hinder the progress of the investigation.

(2) The provisions of subsection (1) of section 5 of the Right to Information Act, No. 12 of 2016 shall apply for any information provided, shared or communicated as provided for in this Act.

(3) Any person who has made a complaint under section 43 shall be provided with a detailed justification by the Commission for the closure of a file, upon a request made on that behalf by such person.

45. (1) If the Commission is satisfied—

Search and
seizure

- (a) that there is a reasonable ground for suspecting that an offence referred to in section 41 has been committed and that evidence of the commission of the offence is to be found at any premises or in any vessel, vehicle or aircraft or with any person; or
- (b) that any book, account or other document or thing which ought to have been produced during an investigation conducted by it under this Act and have not been so produced are to be found at such premises or in any such vehicle, vessel or aircraft or with any person,

the Commission may by written order, authorize an officer of the Commission to enter such premises or, such vehicle, vessel or aircraft as the case may be and search such premises, or such vehicle, vessel, aircraft or such person.

(2) An officer authorized by the Commission under subsection (1) may seize any article, which is found in the premises or in the vehicle, vessel or aircraft or with the person and which he has reasonable grounds for believing to be evidence of the commission of any offence under this Act, or any book, account or document or thing which he has reasonable grounds for believing, ought to have been produced at an investigation conducted by the Commission under this Act and every such article, book, account, document or thing seized by such officer in pursuance of the powers conferred on him by this section shall be produced by him before the Commission:

Provided that, no female shall, in pursuance of a search under this section, be searched except by a female.

(3) Where, by virtue of this section a person has any power to enter into any premises, vessel, vehicle or aircraft, he may use such force as is reasonably necessary for the purpose of exercising that power.

(4) A list of all items seized pursuant to the preceding provisions of this section and of the places in which they are respectively found shall be prepared by the officer of the Commission effecting the seizure and be signed by him.

(5) A copy of the list referred to in the above subsection shall be served on the owner of such property or on the person from whom the property was seized as soon as possible.

(6) Where any movable property liable to seizure as stipulated above is in the possession, custody or control of a bank, the provisions of subsections (2), (3), (4), (5) and (6) of section 49 shall apply thereto.

(7) The Director-General or an officer authorized by the Commission may with such assistance as may be necessary, enter and search any department, office or establishment of the Government to give effect to the provisions of this section.

(8) The Director-General or any officer of the Commission may obtain the assistance of any public officer or any other person authorized by the Commission for assistance in the exercise of his powers or the discharge of his functions under this Act.

(9) Any officer authorized under subsection (1) shall always carry the warrant card issued to such officer under section 46 where any power under this section is exercised.

Issuance of
warrant cards

46. The Director-General shall issue to any officer of the Commission a warrant card which shall be *prima facie* evidence of the authorization granted to such officer under section 45.

47. (1) Any authorized officer of the Commission may without an order from a Magistrate and without a warrant arrest any person suspected of committing an offence under the provisions of this Act if such person—

Arrest of persons without a warrant etc.

- (a) in his presence commits any offence under this Act;
- (b) has been concerned in any offence under this Act or against whom a reasonable complaint has been made or credible information has been received or a reasonable suspicion exists, of his having been so concerned;
- (c) obstructs an officer employed by the Commission while in the execution of his duty or has escaped or attempts to escape from lawful custody;
- (d) is found taking precautions to conceal his presence under circumstances which afford reason to believe that he is taking such precautions with a view to committing an offence under this Act; or
- (e) has been concerned in or against whom a reasonable complaint has been made or credible information has been received or a reasonable suspicion exists of his having been concerned in any act committed at any place out of Sri Lanka, which if committed in Sri Lanka would have been punishable as an offence under this Act and for which he is under any law for the time being in force relating to extradition or to fugitive persons or otherwise, liable to be apprehended or detained in custody in Sri Lanka.

(2) In making an arrest under subsection (1), the officer making the same shall actually touch or confine the body of the person to be arrested unless there be a submission to the

custody by word or action and shall inform the person to be arrested, of the nature of the charge or allegation upon which he is arrested and the keeping of a person in confinement or restraint without formally arresting him or under the colourable pretension that an arrest has not been made when to all intents and purposes such person is in custody, shall be deemed to be an arrest of such person.

(3) If such person forcibly resists the endeavour to arrest him or attempts to evade the arrest, the officer making the arrest may use such means as are reasonably necessary to effect the arrest.

(4) If the officer making the arrest has reasons to believe that any person to be arrested has entered into or is within any place, the person residing in or in charge of such place shall on demand of such officer allow him free ingress therein and afford all reasonable facilities for a search therein.

(5) If ingress to such place cannot be obtained under the preceding subsection it shall be lawful in any case for the officer acting under a warrant or in any case in which a warrant may issue but cannot be obtained without affording the person to be arrested an opportunity of escape, for the officer to enter such place and search therein.

(6) The officer may break open any outer or inner door or window of any place in order to liberate himself or any other person who, having lawfully entered for the purpose of making an arrest, is detained therein.

(7) The person arrested shall not be subjected to more restraint than is necessary to prevent his escape.

(8) Anything in this section shall not be held to interfere with or modify the operation of any enactment empowering an officer to arrest without a warrant.

48. (1) An officer making an arrest without a warrant shall without unnecessary delay and subject to the provisions herein contained as to bail, take steps to produce the person arrested before the nearest Magistrate.

Procedure after
arrest

(2) Any officer shall not detain in custody or otherwise confine a person arrested without a warrant for a longer period than under all the circumstances of the case is reasonable, and such period shall not exceed twenty-four hours exclusive of the time necessary for the journey from the place of arrest to the Magistrate.

(3) Where a person arrested was produced before a Magistrate other than the Magistrate who has the jurisdiction in the case, the Magistrate before whom the person was produced shall, subject to section 149 and having considered the circumstances of the investigation, order to produce the person arrested before the Magistrate having jurisdiction in the case forthwith.

(4) If a person in lawful custody escapes or is rescued, the officer from whose custody he escaped or was rescued may immediately pursue and arrest him in any place, either within or outside the jurisdiction where he was so in custody, and provision of section 47 shall apply to such arrest.

(5) Where any currency notes, alleged to have been accepted, solicited or offered as an illegal gratification by the person arrested are produced before the Magistrate having jurisdiction in the case together with a report under the hand of the Director-General, stating that such notes were alleged to have been so accepted, solicited or offered, the Magistrate shall issue a certificate under his hand to the effect that the notes of the denominations and numbers set out in the certificate were produced before him and such certificate shall be admissible in any proceedings instituted against the person alleged to have accepted, solicited or offered such notes, in lieu of producing such notes in such proceedings.

Examination of persons when conducting an investigation

49. (1) The Commission may, in conducting an investigation under section 42–

- (a) procure and receive all such evidence, written or oral, and examine all such persons as the Commission may think necessary or desirable to procure, receive or examine:

Provided, the Commission may video record the examination of any person under the provisions of this paragraph;

- (b) require any person to attend before the Commission for the purposes of being examined by the Commission and to answer, orally on oath or affirmation, any question put to him by the Commission relevant, in the opinion of the Commission, to the matters under investigation or require such person to state any facts relevant to the matters under investigation in the form of an affidavit;
- (c) summon any person to produce any document or other thing in his possession or control;
- (d) direct by notice in writing any bank, a non-banking financial institution, or designated non-finance business to produce, within such time as may be specified in the notice, any information in whatsoever form relating to the account of any person in respect of whom any inquiry or investigation is being conducted under section 42 or of any person associated with such person, or of a company of which such person is a director, or of a trust in which such person has a beneficial interest or of a firm of which such person is a partner, or to furnish as so specified, certified copies of such information therein which is in printable form;
- (e) notwithstanding the provisions of paragraph (d), require any bank, non-banking financial institution, or designated non-finance business to provide following information and material to the

Commission subject to the provisions of the Prevention of Money Laundering Act, No. 5 of 2006 and Financial Transactions Reporting Act, No. 6 of 2006, relating to–

- (i) any financial service provided by such bank, institution or business, to any person;
 - (ii) details of any financial transaction carried out by any person;
 - (iii) details of any bank accounts, deposits, remittances, and withdrawals and financial services provided by any such bank, institution or business;
 - (iv) details in respect of securing of financial services by any person; and
 - (v) a certified statement of any account or other details pertaining to any account or transaction;
- (f) notwithstanding the provisions of paragraph (d), require from the following officers any information or document which is in his possession or under his control or a certified copy thereof or any entry therein for the purpose of conducting an investigation under the provisions of this Act or in respect of an associated offence referred to in this Act:-
- (i) the Secretary to any Ministry appointed under Article 52 of the Constitution;
 - (ii) Secretary General of the Parliament of Sri Lanka appointed under Article 65 of the Constitution;
 - (iii) Commissioner General of Inland Revenue appointed under section 97 of the Inland Revenue Act, No. 24 of 2017;

- (iv) Governor of the Central Bank appointed under section 12 of the Monetary Law Act (Chapter 422);
- (v) Auditor General appointed under Article 153 of the Constitution;
- (vi) Head of the Department of Foreign Exchange of the Central Bank appointed under section 33 of the Monetary Law Act (Chapter 422);
- (vii) Director of the Financial Intelligence Unit appointed in terms of the Financial Transactions Reporting Act, No. 6 of 2006;
- (viii) Director-General of the Securities and Exchange Commission of Sri Lanka appointed under section 19 of the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021;
- (ix) Director-General of Customs appointed under section 2 of the Customs Ordinance (Chapter 235);
- (x) Controller of Immigration and Emigration appointed under section 4 of the Immigrants and Emigrants Act (Chapter 351);
- (xi) Commissioner General for the Registration of Persons appointed under section 3 of the Registration of Persons Act, No. 32 of 1968;
- (xii) Controller of Imports and Exports appointed under section 2 of the Imports and Exports (Control) Act, No. 1 of 1969;
- (xiii) Registrar General of Companies appointed under section 47 of the Companies Act, No. 07 of 2007;

- (xiv) Commissioner of Land appointed under section 3 of the Land Development Ordinance (Chapter 464);
 - (xv) Director-General of Intellectual Property of Sri Lanka appointed under section 2 of the Intellectual Property Act, No. 36 of the 2003;
 - (xvi) Commissioner General of Motor Traffic appointed under section 204 of the Motor Traffic Act, (Chapter 203);
 - (xvii) Director-General of Telecommunications appointed under section 22B of the Sri Lanka Telecommunications Act, No. 25 of 1991;
 - (xviii) a Head of any Government department, public corporation, statutory body, or other Government institution;
 - (xix) Registrar – General of Lands appointed under section 2 of Registration of Documents Ordinance (Chapter 117);
 - (xx) Chairman of a Provincial Council or a Chairman or a Special Commissioner of a local authority;
 - (xxi) the Head of any scheduled institution under this Act;
- (g) direct any person in respect of whom a communication has been received under section 42 to furnish a sworn statement in writing-
- (i) setting out all movable or immovable property owned or possessed at any time, or at such time as may be specified by the Commission, by such person and by any other

person associated with such person and specifying the date on which each of the properties so set out was acquired, whether by way of purchase, gift, bequest, inheritance or otherwise; and

- (ii) containing particulars of such other matters which in the opinion of the Commission are relevant to the investigation;
- (h) direct any person other than the persons specified in paragraphs (f) and (g) above to furnish a sworn statement in writing-
- (i) setting out all movable or immovable property owned or possessed at any time or at such time as may be specified by the Commission, by such person where the Commission has reasonable grounds to believe that such information can assist an investigation conducted by the Commission under section 42; and
 - (ii) containing particulars of such other matters which in the opinion of the Commission are relevant to such investigation:

Provided that, any person to whom the Commission issues any direction under this subsection shall comply with such direction, notwithstanding anything to the contrary in any other law.

(2) Where the Commission is satisfied of any information given by an officer of the Commission that any movable property, including any monetary instrument or any accretion

thereto, which is the subject matter of an offence under this Act or evidence in relation to the commission of such offence, is in the possession, custody or control of a bank, the Commission may, notwithstanding anything contained in any other written law, by order direct the bank not to part with, deal in, or otherwise dispose of such property or any part thereof for a period not exceeding three months.

(3) An order under subsection (2) may include freezing of bank accounts or freezing of other financial deposits and accounts suspected to contain proceeds of bribery to the extent of the proceeds of bribery contained therein, under paragraph (a) of subsection (1) of section 53, subject to any condition that may be imposed by rules made in that behalf by the Commission.

(4) A bank or any agent or employee of a bank shall not, on account of such compliance envisaged in subsection (2), be liable to any prosecution under any other law or to any proceeding or claim by any other person under any other law or under any contract, agreement, or arrangement, or otherwise.

(5) On the conclusion of any investigation conducted under this Act, the Commission may award to any person who has been in any way implicated or concerned in the matter under investigation or to any bank whose manager has complied with a notice issued in connection with such investigation by the Commission such sum of money as the Commission may consider sufficient to meet the costs and expenses which may have been reasonably incurred by such person or bank in connection with the investigation.

(6) All moneys awarded under subsection (5) shall be paid out of the Fund of the Commission.

(7) Any person who appears before the Commission under this section is bound to answer truly all questions relating to such case put to him by the officers of the Commission other than the questions which would have a tendency to expose him to a criminal charge or to a penalty or forfeiture.

Obtaining the assistance of experts

50. (1) Where the Commission considers that the examination of any person by the Government Analyst, a Government Medical Practitioner, or any other local or foreign expert is necessary for the conduct of an investigation, the Commission may—

- (a) summon the person to be examined with the consent of such person, to be subject to an examination conducted by the Government Analyst, any other local or foreign expert having expertise in the field in respect of which the investigation is conducted, or a Government Medical Practitioner; and
- (b) require in writing from any expert referred to in paragraph (a) to provide a report on a matter referred to him by the Commission.

(2) Where the person referred to in subsection (1) does not consent to being so examined, the Commission may apply to the Magistrate within whose jurisdiction the investigation is being carried out for an order authorizing the expert named therein to examine such person and report thereon. Where such an order is made, the person referred to in subsection (1) shall submit himself to an examination by such expert who shall submit a report to the Magistrate setting out the result of such examination.

Taking of finger impressions, photographs, non-intimate samples, blood samples and voice samples etc.

51. (1) Where a person has been arrested under section 47 or, has been served with summons under section 49, any authorized officer of the Commission may take, or cause to be taken blood samples, voice samples, photographs, finger, palm or foot impressions or impression of any part of the body and the weight and height measurements of that person.

(2) The identifying particulars of a person taken under subsection (1) may be retained by the Commission, except that if-

- (a) a decision is taken not to charge the person with any offence; or
- (b) the person is charged with an offence under this Act but discharged by a court before conviction or acquitted at his trial or on appeal, the identifying particulars, together with any negatives or copies thereof, shall as soon as reasonably practicable be destroyed or, if the person so prefers, delivered to the person.

(3) Notwithstanding the provisions of subsection (2), the Commission may retain the identifying particulars of a person who has been previously convicted of any offence under this Act.

(4) In any investigation in respect of an offence committed or believed to have been committed under this Act, a non-intimate sample may be taken from a person for forensic analysis only if-

- (a) that person is dealt with and detained pursuant to the provisions of this Act; and
- (b) an officer not below the rank of a Deputy Director-General or above (hereinafter referred to as the “authorizing officer”) has authorized such taking.

(5) An authorizing officer may give his authorization as required under paragraph (b) of subsection (4) only if he has reasonable grounds-

- (a) for suspecting that the person from whom the non-intimate sample is to be taken has committed an offence under this Act; and

- (b) to believe that the sample will tend to confirm or disprove the commission of such offence.

(6) An authorizing officer shall give his authorization in writing and in practical difficulty, may give such authorization orally and as soon as possible confirm it in writing.

(7) Where an authorization has been given under subsection (5), officer who has been empowered with such authorization shall, before the taking of such non-intimate sample, inform the person from whom the sample is to be taken-

- (a) of the nature of the offence in which the person is suspected to have committed;
- (b) that there are reasonable grounds to believe that the sample will tend to confirm or disapprove the commission of the offence by that person;
- (c) of the authorization;
- (d) that he may or may not consent to the taking of the sample; and
- (e) that the sample will be analyzed and the information derived from such analysis may provide evidence that might be used in criminal proceedings for such offence or any other offence for which the person may be arrested under this Act.

(8) Where a person does not consent to the taking of a blood sample, finger, palm or foot impression or an impression of any part of the body under subsection (1) or the taking of a non-intimate sample under subsection (4), the Commission may apply to the Magistrate for an order for the taking of the same from him.

(9) The person from whom a non-intimate sample was taken under subsection (4) is entitled to be informed of the results derived from the analysis of the sample.

(10) Any consent given for the taking of a non-intimate sample under this section shall be given in writing and signed by the person giving the consent.

(11) Where an order under subsection (8) is made, the results shall be reported to the Magistrate by the Commission.

(12) A non-intimate sample from a person may only be taken by a registered Medical Practitioner.

(13) The Minister shall make regulations in consultation with the Commission on the privacy and the limitations on the use of non-intimate samples and results of forensic analysis and the disposal of relevant samples and records.

52. (1) Every Magistrate to whom an application is made under section 50, subsection (8) of section 51 or section 59 shall assist the conduct of an investigation by making and issuing appropriate orders and processes of court and may, in particular hold, or authorize the holding of, an identification parade for the purpose of ascertaining the identity of the offender, and may for such purpose require a suspect or other person to participate in such parade, to enable or allow a witness to make his identification from a concealed position and make or cause to be made a record of the proceedings of such parade.

Obtaining the assistance of Magistrates

(2) Confidentiality in respect of any application made to the Magistrate under subsection (1) shall be maintained and the proceedings pertaining to the same shall be held *in-camera* if requested by the Commission subject to such considerations as may be necessary for the purposes of justice and not to jeopardize the integrity of any investigation in respect of which the assistance of the Magistrate is sought.

53. (1) The Commission may—

Restraining orders

(a) prohibit, by written order (hereinafter referred to as the “freezing order”), any person in respect of whom an inquiry or investigation is being conducted under section 42, the spouse, other family member of such person

or any other person holding any property in trust for such first-mentioned person, or any bank or any non banking financial institution or designated non finance business in possession, custody or control of any of his movable property or a company of which he is a director or a firm in which he is a partner, from parting with, dealing with or otherwise disposing of such property or any part thereof, from transferring the ownership of, or any interest in, any movable or immovable property specified in such order, until such time such order is revoked by the Commission and to cause a copy of the freezing order to be served on any such authority as the Commission may think fit, including–

- (i) the Registrar of Lands where the immovable property is situated in the case of an immovable property;
 - (ii) the Commissioner of Motor Traffic appointed under section 204 of the Motor Traffic Act (Chapter 203) in the case of a motor vehicle; and
 - (iii) the Registrar-General of Companies appointed under section 471 of the Companies Act, No. 07 of 2007 and the Secretary of such company in the case of shares, stocks or debentures of any company;
- (b) require, by written order, any authority on whom a copy of the freezing order made under paragraph (a) has been served, to cause such copy to be registered or filed in any register or record maintained by such authority;
- (c) require by written order the Controller of Immigration and Emigration appointed under section 4 of the Immigrants and Emigrants Act (Chapter 351) to impound the passport and other travel documents or to take all such

steps as may be necessary to prevent the departure from Sri Lanka of any person in respect of whom an information or a complaint or a communication has been received under section 42 for such period not exceeding three months, as may be specified in such written order; and

- (d) require by written order, any police officer as shall be specified in that order, whether by name or by office, to take all such steps as may be necessary to prevent the departure from Sri Lanka of any person in respect of whom any information or complaint has been received under section 42 for such period not exceeding three months, as may be specified in such order.

(2) The Commission shall, within seven days during which such freezing order shall be in force, make an application to the High Court seeking confirmation of such freezing order and also if the circumstances so necessitate, request an extension of the original period of seven days.

(3) Where the High Court is satisfied that there are sufficient reasons for the making of such freezing order, the High Court may confirm the freezing order and also where an application is made for the extension thereof, grant the extension for such periods as it considers necessary, subject however –

- (a) to any other orders which may be made by the High Court; and
- (b) to the requirement that the maximum period of any extension so granted shall not exceed one year from the date of the obtaining of the freezing order by the Commission:

Provided that, where an indictment is filed for an offence under this Act, the freezing order shall unless vacated by the High 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.

(4) Where the High Court confirms a freezing order under subsection (3), it shall cause a notice of such 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 the High Court in support of their claims to the account, property or investment which is subject to the order of freezing.

(5) Where any movable property is seized under this Act, the seizure shall be effected by removing the movable property from the possession, custody or control of the person from whom it is seized and placing it under the custody of such person or authority and at such place as may be determined by the Commission:

Provided however, where it appears to the satisfaction of the Commission that it is not practicable, or is not desirable, to effect removal of any property under this subsection, the Commission may leave it at the premises in which it is seized under the custody of an authorized officer of the Commission.

(6) Notwithstanding the provisions of subsection (5), when any movable property, including any movable property referred to in subsection (10), has been seized under this Act, an authorized officer of the Commission other than the officer who effected the seizure, may-

- (a) temporarily return the movable property to the owner thereof, or to the person from whose possession, custody or control it was seized, or to such person as may be entitled thereto, subject to such terms and conditions as may be imposed, and subject in any case to sufficient security being furnished to ensure that the movable property shall be surrendered on the demand being made by the officer who authorized the release and that such terms and conditions, if any, shall be complied with; or

- (b) return the movable property to the owner thereof, or to the person from whose possession, custody or control it was seized, or to such person as may be entitled thereto, with liberty for the person to whom the movable property is so returned to dispose of the property, such return being subject to security being furnished in an amount not less than an amount which represents the open market value of such property on the date on which it is so returned.

(7) Where any person to whom movable property is temporarily returned fails to surrender such property on demand or comply with any term or condition imposed under that paragraph,-

- (a) the security furnished in respect of such property shall be forfeited; and
- (b) that person shall commit an offence punishable with imprisonment for a term not exceeding seven years or a fine not exceeding one million rupees.

(8) Where an order of forfeiture of security is made by the court in respect of property temporarily returned as specified in subsection (7), such forfeiture shall be effected by forfeiting the security furnished by the person to whom the property was returned.

(9) When any movable property seized under this Act consists of money, shares, securities, stocks, debentures or any choose-in-action in the possession or under the custody or control of any person other than the person against whom the prosecution is intended to be taken, the seizure shall be effected by an authorized officer of the Commission serving an order on such other person-

- (a) prohibiting him from using, transferring, or dealing with such property; or
- (b) requiring him to surrender the property to the Commission in the manner and within the time specified in the order.

(10) Where any movable property seized or freezed is liable to speedy decay or deterioration, or cannot be maintained without difficulty, or is not practicable to be maintained, and cannot be dealt with under subsection (6), upon an application made in that regard by the Director-General or any officer authorized by the Commission, the High Court may make order to sell or cause to be sold the property and to hold the proceeds of the sale in the manner as may be determined by such Court:

Provided that the High Court may order to deduct any cost or expense of the maintenance and sale of property from the proceeds of any proceedings under this Act.

(11) A transaction shall not be effected in relation to any account, property or investment where a freezing order is in force and any transaction which is so effected shall be null and void.

(12) Before making a freezing order under this section, the High Court may on an application made in that behalf, if the High Court is of the opinion that such an order may damage the legitimate business or any other interest of any person affected by such freezing order, make order permitting any essential transaction relating to such account, property or investment to be carried out subject to such supervision and under the direction of an officer authorized by the Commission as may be directed by such court.

Prohibition of dealing with property outside Sri Lanka

54. Where the Commission is satisfied that any property is the subject matter of an offence under this Act or was used in the commission of any such offence, and such property is held or deposited outside Sri Lanka, the Commission may make an application to the High Court for an order prohibiting the person by whom the property is held or with whom it is deposited from dealing with the property.

Special investigation techniques

55. (1) The Commission may, in an investigation under section 42 of this Act, use any investigation technique including the following:-

- (a) authorize a person who has reported to the Commission of a demand for a bribe, to directly or indirectly, give or receive it as demanded;

- (b) surveillance and observation;
- (c) undercover operations;
- (d) video recording;
- (e) using bugging devices; or
- (f) controlled deliveries;

Provided that, the Commission shall specify by way of rules, the procedures to be followed on the use of investigative techniques under this section.

(2) The Commission shall *ex parte* obtain an order from the High Court for the purposes of paragraphs (d) and (e) of subsection (1). Confidentiality in respect of any application made to the High Court shall be maintained and the proceedings pertaining to the same shall be held *in-camera*.

56. The Commission shall by way of rules specify the criteria for the protection and preservation of information received or collected by the Commission by way of a data message, electronic document, electronic record or other communication in electronic form.

Protection and preservation of information

57. The Commission may require any telecommunication, satellite, digital service or data service provider, to provide—

Obtaining information from service providers

- (a) information pertaining to services provided or being provided by such service provider to any person;
- (b) information pertaining to services enjoyed by any person to whom such services have been made available;
- (c) any information, data or document or record that may be stored, archived or otherwise kept, by such service provider; and

- (d) information pertaining to the uploading or downloading of data or information, to or from any instrument through the service provided by such service provider,

where in the opinion of the Commission such information may be of use in the investigations conducted on any act which may amount to an offence under this Act.

Interception of communication

58. (1) An authorized officer of the Commission may apply in writing to the High Court for a warrant authorizing the covert monitoring of any conduct and recording of any communication if such officer has reasonable grounds to suspect or believe that a person has committed, is committing or is about to commit an offence under this Act.

(2) A High Court Judge may, upon receiving a written application under subsection (1), issue a warrant after being satisfied that there are reasonable grounds for such suspicion or belief to authorize the covert monitoring and recording, by any means, of the conduct and communications, including telecommunications, of the person. Confidentiality in respect of any application made to the High Court shall be maintained and the proceedings pertaining to the same shall be held *ex parte* and *in-camera*.

(3) A warrant issued under this section may be renewed by further application made in that behalf by the authorized officer.

(4) A warrant issued under this section may authorize any officer-

- (a) to overtly or covertly enter or, in the case of a renewed warrant, re-enter any place specified in the warrant, by force if necessary, for the purpose of executing the warrant; and

(b) in the case of a renewed warrant, to continue monitoring and recording pursuant to the original warrant.

(5) If the circumstances are such that a written application under subsection (1) is not reasonably practicable, an oral application may be made.

(6) The format of the application shall be as specified by the Commission by way of rules.

(7) The Commission shall ensure that any recording made under the provisions of this Act shall be used solely for the purposes of this Act.

59. Director-General may, for the purpose of–

Unlocking of
data and
information

- (a) determining the identity of a person who has committed an offence;
- (b) determining the location of a person who has committed an offence;
- (c) facilitating the conduct of an investigation into an offence;
- (d) gathering evidence against a person who has committed an offence;
- (e) determining whether one or more persons are conspiring, planning, preparing or attempting to commit an offence; or
- (f) taking measures to prevent the commission of an offence,

under this Act, make an application to a Magistrate to authorize the Commission to–

- (i) direct any person who provides locking or encryption services pertaining to any communication or storage services or equipment of any data or information or other thing, to unlock or unencrypt the service or equipment and provide information contained therein;
- (ii) intercept, read, listen or record any postal message or electronic mail or any telephone, voice, internet, or video conversation, or video conference or any communication through any other medium; or
- (iii) access any analogue or digital data or information, of any exchange or transfer system.

Assistance in investigations

60. (1) Notwithstanding anything to the contrary in any other written law, the Commission may, if satisfied that there are reasonable grounds for suspecting that an offence consisting of soliciting, accepting or offering by any person a gratification which or the value of which does not exceed ten thousand rupees has been committed under this Act by a person other than a police officer, the Commission may require any police officer of or above the rank of an Assistant Superintendent of Police named in such order or an authorized officer to conduct an investigation in the matter in such manner or mode as may be specified in that order. The order may authorize the investigation of any bank account, share account, purchase account, expense account or any other account, or any safe deposit box in any bank, and shall be sufficient authority for the disclosure or production by any person of all or any information or accounts or documents or articles as may be required by the officer so authorized.

(2) The Director-General upon the direction of the Commission may provide advice, give directions, or take over at any stage any investigation which has commenced under this section in respect of any offence and to conduct and direct such investigation.

(3) Upon the conclusion of the investigation under this section, the police officer from whom the Commission has requested an investigation under subsection (1) of this section shall submit a report to the Commission in writing on such investigation and such report shall include –

- (a) a full statement of the circumstances relating to the matter;
- (b) copies of the statements of all witnesses; and
- (c) such other information, documents, or productions as may be relevant or as may be called for by the Commission.

(4) The outcome of an investigation concluded under this section shall forthwith be forwarded to the Commission enabling the Commission to take steps under section 65.

61. (1) If the circumstances of the case so justify, a joint investigation team may be formed for a specific period by an agreement between the Commission and any other investigative authority in Sri Lanka as may be determined by the Commission for the purpose of conducting an investigation into an alleged offence referred to in section 41.

Joint
investigations

(2) The Commission may also establish joint investigation teams in relation to the following, where a request has been made by a foreign State:-

- (a) matters falling under bilateral or multilateral agreements or arrangements to which Sri Lanka and the other foreign State are parties; or
- (b) in the absence of such agreements or arrangements, on a case-by-case basis.

(3) A Joint investigation team under the provisions of this section may be established when-

- (a) any person or body of persons assigned with the duties of investigation, law enforcement, regulatory tasks, prosecutions and involving in judicial proceedings on the same subject matter, which requires coordinated and harmonized actions by the agencies or States involved in the investigation; and
- (b) for the purposes of subsection (2), investigative actions have to be carried out in Sri Lanka and the other foreign State simultaneously.

(4) Information obtained during joint investigations may be used by competent courts, where the persons who were been investigated are tried in such courts.

Revealing and sharing of information

62. (1) The Commission, the Director-General or any other officer or employee of the Commission or any person whose services are retained under section 27 shall not be compelled to reveal the source of any information received under the provisions of this Act.

(2) The Commission may share information relevant to any investigation with any local law enforcement authority or any other Government authority or any other law enforcement authority as provided under international bilateral or multilateral agreements or arrangements, or in the absence of such agreements or arrangements on a case-by-case basis for the purposes of investigation, prosecution and judicial proceedings under the law of the foreign State.

International cooperation

63. (1) The Commission may –

- (a) communicate with criminal investigative authorities or law enforcement authorities in foreign States on a same or connected matter when giving effect to the provisions of this Act; and
- (b) share any report or information with any institution or agency of a foreign State or of an international organization or body of persons or other institution or agency established by the Government of a foreign State that has powers and duties similar to those of the Commission, on such terms and conditions as are set out in any agreement or arrangement between the Commission and such institutions, agencies or bodies of persons regarding the exchange of such information under an agreement or arrangement entered into under subsection (2).

(2) The Commission may, enter into any agreement or arrangement, in writing, with—

- (a) an institution or agency of a foreign State or an international organization or body of persons established by the governments of a foreign State that has powers and duties similar to those of the Commission; or
- (b) a foreign law enforcement agency,

regarding the exchange of information between the Commission and such institution, agency or authority.

(3) The information communicated, or shared under subsection (1) or exchanged under an agreement or arrangement entered into under subsection (2) shall be any information that the Commission, the institution, agency or authority has reasonable grounds to suspect would be

relevant to the investigation, prosecution or judicial proceedings of an offence of corruption covered by United Nations Convention Against Corruption or an offence that is substantially similar to such an offence.

(4) Agreements or arrangements entered into under subsection (2) by the Commission shall —

- (a) include restrictions on the use of information or judicial proceedings obtained for purposes relevant to investigating, prosecuting into any act constituting an offence or corruption covered by United Nations Convention Against Corruption or an offence that is substantially similar to such offence; and
- (b) include a provision to the effect that the information exchanged be treated in a confidential manner and not to be further disclosed without the express consent of the Commission.

Summons

64. (1) Every summon issued by the Commission shall be in writing and in duplicate and signed by the Director-General and shall be in the form specified by rules.

(2) The summons shall be served -

- (a) by registered post;
- (b) by express post;
- (c) by a Grama Niladhari as may be directed by the Commission;
- (d) in the case of a company or corporation or incorporated association of persons, on the

managing director, secretary or other like officer or the person in charge of the principal place of business of such company, corporation or association;

- (e) in the case of a person who is a public officer or an employee of a public corporation, on the head of the institution in which such person is a public officer or an employee;
- (f) in the case of any person who is employed under any other person, on the employer of such person; or
- (g) by email or facsimile if available.

(3) When the person to be summoned cannot by the exercise of due diligence be found, the summons may be served by leaving one of the duplicates with some adult member of such person's family or with such other person residing with such person.

(4) If the service specified in subsections (2) and (3) cannot, by the exercise of due diligence be effected, the Commission shall affix one of the duplicates of the summons in some conspicuous part of the house, place or premises in which the person summoned ordinarily resides and in such case the summons shall be deemed to have been duly served.

(5) Where any summons is sent by registered post or express post, the production of the receipt issued by the relevant post office for such summons shall be *prima facie* proof of the fact that such summons was received by the addressee unless such summons is returned undelivered.

(6) Every person on whom a summon is served shall attend before the Commission at the time and place mentioned therein and shall answer any question put to him by the Commission and produce such document or other thing as are required of him by the summon.

Prosecutions

65. (1) Where the material received by the Commission in the course of an investigation conducted by it under this Act, discloses the commission of an offence under the provisions of this Act by any person, the Commission shall direct the Director-General to institute criminal proceedings against such person in the appropriate court.

(2) Notwithstanding anything to the contrary in any other written law, the Director-General in accordance with subsection (1) of this section shall have the power to institute proceedings in the Magistrate's Court through a charge sheet signed by the Director-General and section 136 of the Code of Criminal Procedure Act, No. 15 of 1979 shall not apply for the purposes of this section.

(3) The provisions of section 162 of the Code of Criminal Procedure Code Act, No. 15 of 1979 shall *mutatis mutandis* apply in respect of any charge sheet signed by the Director-General.

(4) Upon proceedings being instituted through a charge sheet under subsection (2), the Magistrate shall –

- (a) cause the accused to appear, or to be brought, before him;
- (b) cause a copy of the charge sheet with its annexures to be served on each of the accused who shall be tried upon that charge sheet;
- (c) inform the accused of the date of the trial;
- (d) where the accused is brought or appears before the court, read and explain the charge to the accused and shall be asked whether he is guilty or not guilty of the offence charged;
- (e) if the accused pleads guilty and it appears to the satisfaction of the Magistrate that he rightly

comprehends the effect of his plea, record a verdict of guilty and pass sentence upon him according to the provisions of the relevant law and record such sentence; and

- (f) if the accused does not make any plea or if he pleads not guilty, he shall be tried and the provisions of the Code of Criminal Procedure Act, No. 15 of 1979 shall *mutatis mutandis* apply to the proceedings in the Magistrate Court.

(5) Where proceedings are instituted in a High Court in pursuance of a direction made by the Commission under subsection (1) by an indictment signed by the Director-General, such High Court shall on receipt of such indictment, have jurisdiction to try the offence described in such indictment in all respects as if such indictment were an indictment presented by the Attorney-General to such court.

(6) There shall be annexed to every such indictment, in addition to the documents which are required by the Code of Criminal Procedure Act, No. 15 of 1979 to be annexed thereto, a copy of the statements, if any, made before the Commission by the accused and by every person intended to be called as a witness by the prosecution.

(7) Notwithstanding anything to the contrary in any other written law, an officer of the Commission authorized by the Commission, the Attorney-General upon request of the Commission or any other Attorney-at-Law specially authorized by the Commission shall be entitled to—

- (a) conduct the prosecution at a trial of an offence held-
 - (i) in the Magistrate Court on a charge sheet; and
 - (ii) in the High Court on an indictment, signed by the Director-General; or

- (b) appear on behalf of the Commission in any other litigation which may have a bearing on the Commission:

Provided that, where the Commission has requested the Attorney-General to conduct the prosecution or appear on behalf of the Commission in any other litigation, in the absence of the Attorney-General, an officer of the Commission authorized by the Commission is entitled to conduct such prosecution or appear on behalf of the Commission:

Provided further, where an officer of the Commission authorized by the Commission is conducting a prosecution or appearing on behalf of the Commission, the Attorney-General may assist such officer.

Call any witness, or use or produce any document, which is not specified in the list of witnesses or list of documents

66. At the trial of a person for an offence referred to in section 41, on the request of the Commission, the relevant court may, notwithstanding anything to the contrary in any other written law, call any witness, or allow the Commission to produce any document, as is not specified in the list of witnesses or documents respectively, where the court is satisfied that calling of such witness or document is required in the interest of Justice.

Withdrawal of indictments

67. (1) If at any time before the judgement is given by the High Court against a person who has been indicted for having committed one or more offences under this Act, the Director-General may with the sanction of the Commission, having due regard to the facts specified in subsection (2) and subject to one or more conditions referred to in subsection (3), with the permission of the High Court, withdraw the indictment against such accused.

(2) When the Director-General withdraws the indictment under subsection (1), he shall have due regard to—

- (i) the national interest and public interest;
- (ii) views of the victims of the offence; and
- (iii) representations that may be made by the accused person or on his behalf by his Attorney-at-Law.

(3) The Director-General may when withdrawing an indictment under subsection (1), impose on the accused one or more of the following conditions to be fulfilled within a stipulated period:-

- (i) to publicly express remorse and apology before the High Court, using a text issued by the Commission;
- (ii) to provide reparation to victims of the offence, as specified by the Commission;
- (iii) to publicly undertake that he refrains from committing an offence under this Act; or
- (iv) to permanently refrain from holding public office, both elected and appointed.

(4) If such person fulfills the conditions imposed under subsection (3), during the period stipulated for fulfilling such conditions, the Director-General shall not present a fresh indictment against the accused thereafter on the same charges specified in the original indictment.

(5) If the accused fails without reasonable cause to comply with the said conditions, the Director-General shall file a fresh indictment against the accused on the same charges specified in the original indictment and proceed to prosecute the accused after the lapse of the period given for the accused to fulfil such conditions.

Appeals

68. (1) Where proceedings are instituted in the High Court by an indictment signed by the Director-General, the Director-General shall have the right to appeal against a judgment, order or sentence of such High Court in all cases in which the Attorney-General would have had the right to appeal against such judgment, order or sentence had an indictment for such offence been presented to such Court by the Attorney-General.

(2) Notwithstanding anything to the contrary in any other written law, where proceedings are instituted in the Magistrate's Court by a charge sheet signed by the Director-General, the Director-General shall have the right to appeal against a judgment, order or sentence of such Magistrate's Court.

(3) Notwithstanding anything to the contrary in any other written law, an officer of the Commission authorized by the Commission, the Attorney-General upon a request by the Commission or any other Attorney-at-Law specially authorized by the Commission shall be entitled to—

- (a) conduct appeals in respect of offences under this Act; and
- (b) appear on behalf of the Commission in the appeals of any other litigation which may have a bearing on the Commission:

Provided that, where the Commission has requested the Attorney-General to conduct any appeal or appear on behalf of the Commission in the appeals of any other litigation, in the absence of the Attorney-General, an officer of the Commission authorized by the Commission is entitled to conduct such appeal or appear on behalf of the Commission:

Provided further, where an officer of the Commission authorized by the Commission is conducting an appeal or appearing on behalf of the Commission, the Attorney-General may assist such officer.

69. (1) The Commission may prior to or during an investigation or after the conclusion of an investigation, during prosecution, in an appeal or in any issue relevant to the subject matter of such investigation solicit, receive and consider the observations, views, opinions, advise or comments of the Attorney-General.

Requesting the assistance of the Attorney-General

(2) The Commission may request the opinion of the Attorney-General in any matter relating to the discharge of its powers and functions under this Act.

(3) It shall be lawful for the Attorney-General to render such assistance as requested by the Commission.

70. (1) During any stage of the investigation or at any time before the conclusion of the trial of a person charged with bribery under the provisions of Part III of this Act, the Commission may, with the view of obtaining at the trial the evidence of any person supposed to have been directly or indirectly concerned in or privy to the offence by writing under its hand authorize any Magistrate named therein not to charge or prosecute such person on condition of his making a full and true disclosure of the whole of the circumstances within his knowledge relating to the offence and to every other person concerned whether as principal or as abettor in the commission thereof.

Not to charge or prosecute accomplices

(2) The Magistrate shall record, in the manner specified in the Code of Criminal Procedure Act, No. 15 of 1979, the evidence on oath of every person referred to in subsection (1) and transmit the record to the Commission.

(3) Every person referred to in subsection (1) shall be examined as a witness in the case.

(4) Such person if not on bail, shall be detained in custody until the termination of the trial.

(5) Where a person referred to in subsection (1) has willfully concealed anything essential or has given false evidence, he may be tried for the offence in respect of which he was charged with or for any other offence of which he appears to have been guilty in connection with the same matter.

(6) The statement made by a person referred to in subsection (1) may be given in evidence against him when he is tried as stated in subsection (5).

Deferred
Prosecution
Agreements

71. (1) Notwithstanding anything to the contrary in any other written law, where the offence committed falls under sections 106 and 108 of this Act, the Commission may, having due regard to the facts specified in subsection (2), and subject to one or more conditions referred to in subsection (3), enter into an agreement with any person referred to in subsection (8) of this section alleged to have committed an offence under such sections to suspend and defer the Criminal Proceedings against such person for a period not less than five years and not exceeding ten years.

(2) Where the Commission agrees to suspend or defer the criminal proceedings under subsection (1), it shall pay due regard to-

- (a) the state policy on prevention of bribery and corruption;
- (b) the national interest and public interest;

- (c) views of the victims of the offence, if any; and
- (d) the representations that may be made by the accused person or on his behalf by his Attorney-at-Law.

(3) Where the Commission agrees in terms of subsection (1) to suspend or defer the criminal proceedings against any person alleged to have committed an offence under this Act, the Commission shall prefer an application to the High Court, to obtain the sanction of such Court for the imposition of one or more of the following conditions to be fulfilled within a stipulated period, on such person as consideration for the suspension and deferment of the criminal proceedings against such person –

- (a) to publicly express remorse and apology before the High Court, using a text issued by the Commission;
- (b) to provide reparation to victims of the offence, as specified by the Commission;
- (c) to publicly undertake that such person refrains from committing an offence under this Act; or
- (d) to pay as compensation to the State the full amount relating to the offence of which twenty five *per centum* shall be credited to the Fund of the Commission.

(4) (a) The High Court may upon consideration of the application made by the Commission under subsection (3), and upon being satisfied that the agreement is in the interest of justice and the terms of the agreement are fair, reasonable and proportionate and approve such agreement and notify such person of the agreement.

(b) The agreement shall come into effect on the date on which the agreement is approved by the High Court.

(5) If such person fulfills the conditions imposed under subsection (3) during the period stipulated in the agreement for fulfilling such conditions, the Commission shall not proceed against such person in respect of the offence alleged to have been committed.

(6) If the person fails without valid excuse to comply with such conditions, the Commission shall upon making an application to the High Court, commence criminal proceedings against such person upon indictment.

(7) At the expiration of the period stipulated in the agreement, the Director-General shall, having informed and obtained the permission from the High Court shall discontinue the proceedings against such person.

(8) Where the person referred to in this section is a body corporate, an agreement under this section shall be entered into between the Director-General and such body corporate.

General power

72. The Commission may take any other appropriate steps not inconsistent with the provisions of this Act to achieve the objectives of this Act and carry out the powers and functions vested in the Commission under this Act or any other written law.

CHAPTER V

PROTECTION OF INFORMERS, WHISTLEBLOWERS, WITNESSES, AND OTHER PERSONS ASSISTING THE COMMISSION

Protection of informers of the Commission

73. (1) Where the Commission confidentially receives information to the effect that an offence under this Act has been committed or suspected to have been committed or is likely to be committed, such information and the identity of

the informer shall not be revealed and the informer and the matters relating to such information shall not be disclosed in any proceedings before any court, tribunal, or other authority.

(2) Where any record, written or electronic, which is given in evidence or liable for inspection in any civil, criminal or other proceedings, contains an entry relating to the informer or the information given by the informer, the relevant court, tribunal, or other authority shall cause the parts in such record relating to the informer or the information given, to be concealed from view so as to protect the identity of such informer.

(3) If on a trial for any offence under this Act, the court, after full inquiry into the case, is of the opinion that the informer willfully made in his complaint a material statement which he knew to be false or did not believe to be true, or if in any other proceedings the court is of the opinion that justice cannot be fully administered between the parties thereto without the discovery of the informer, the court may require the production of the original complaint, if in writing, and permit inquiry and require full disclosure concerning the informer.

(4) Any person who contravenes the provisions of subsection (1), commits an offence and on conviction by the High Court be liable to a fine of one hundred thousand rupees or to a term of imprisonment not exceeding six months or to both such fine and imprisonment.

(5) Where a person-

- (a) provides information to the Commission or any officer of the Commission or to any other law

enforcement authority that a person, public official, a body corporate or unincorporate, public or private sector entity will commit or is committing or has committed or is likely to commit an offence under this Act; and

- (b) at the time such information is provided, believes on reasonable grounds that such information is true and is of such a nature as to warrant an investigation under this Act,

such person shall not be subject to civil or criminal liability as a result of providing such information.

(6) An informer shall not be subject to adverse conditions of employment, reprisal, coercion, intimidation, retaliation, harassment, any injury to his person, or threatening or any of the foregoing for providing such information. Where an information is provided under section 74 by a whistleblower, no disciplinary action shall be taken against him for providing such information.

(7) Despite any prohibition of or restriction on the disclosure of information under any other law, contract, oath or practice, a whistleblower shall not be subject to detrimental action on account of having provided information under subsection (1) of section 74 or subsection (5) of this section.

(8) Any provision in a contract of service or other agreement between an employer and an employee is void in so far as it—

- (a) purports to exclude any provision of this Act, including an agreement to refrain from instituting or continuing any proceedings under this Act or any proceedings for breach of contract; or

- (b) purports to preclude the employee or has the effect of discouraging the employee from providing information.

(9) For the purposes of subsection (6) it shall be presumed until the contrary is proved that the adverse conditions of employment, reprisal, coercion, intimidation, retaliation, harassment, any injury to his person, or threatening or any of the foregoing has occurred.

(10) A whistleblower shall assist the Commission in any investigation which the Commission may make in relation to the information provided by him.

74. (1) Where a public official or an employee of a private sector entity-

Protection of
whistleblowers

- (a) provides information to his superior officer that an offence under this Act has been committed or is being committed or is likely to be committed in or in connection with the public institution or the private sector entity or any person, as the case may be, in which he is employed; and
- (b) at the time such person provides information he believes on reasonable grounds that the information he provides is true and is of such a nature as to warrant an investigation under this Act,

such public official or the employee of a private sector entity (hereinafter referred to as a “whistleblower”) shall not be subject to any civil or criminal liability as a result of providing such information.

(2) Any person who contravenes the provisions of this section commits an offence under this Act and on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of imprisonment not exceeding seven years or to both such fine and imprisonment.

Safety of persons
assisting the
Commission

75. (1) If it appears to the Commission that, the safety of a person who assist the Commission is adversely affected or such person or any other person may be subject to intimidation, harassment, injury or threat, the Commission may make such arrangements as are necessary –

(a) to provide physical safety to such person; or

(b) to protect such person or any other person from intimidation, harassment, injury or threat.

(2) In this section, ‘a person who is assisting the Commission’ means –

(a) an informer in terms of section 73 of this Act;

(b) a witness;

(c) a person who has appeared, is appearing or is to appear before the Commission to give evidence or to produce a document or any other thing in an inquiry or investigation conducted or to be conducted or any other measure taken or to be taken by the Commission under this Act;

(d) a person who has produced or proposes to produce a document or any other thing to the Commission in any inquiry or investigation conducted or to be conducted or any other measure taken or to be taken by the Commission under this Act; or

(e) a person who has assisted, is assisting, or is to assist the Commission in any other manner in an inquiry or investigation conducted or to be conducted or any other measure taken or to be taken by the Commission under this Act.

(3) Any such arrangement referred to in subsection (1) may involve any one of the following:–

- (a) issuing directions to the Inspector-General of Police or any public authority or any public official—
 - (i) to provide any protection referred to in subsection (1);
 - (ii) to provide personnel assistance or facilities or both, to assist in providing such protection; or
 - (iii) to otherwise assist in the provision of such protection;
- (b) making orders applying to a specified person for the purpose of protecting the physical safety of a person referred to in subsection (1) or of protecting such person from intimidation or harassment. Such an order is not limited to directions of a kind referred to in paragraph (a).

(4) It shall be the duty of the Inspector-General of Police, or such public authority or public official, to comply with any such direction given by the Commission as far as reasonably possible.

(5) Any person who contravenes an order made, to be applicable to a specified person under paragraph (b) of subsection (3) of this section without a reasonable excuse, commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of imprisonment not exceeding seven years or to both such fine and imprisonment.

76. (1) A person shall, in respect of any statement made, information or answer given, or any document or any other thing produced, to or before the Commission not be liable to any action, prosecution or other proceeding, civil or criminal, in any court.

Immunity to witnesses

(2) No evidence of a statement made or answer or information given, by any person, to or before the Commission shall be admissible against such person in any action, prosecution or other proceeding civil or criminal, in any court:

Provided that, nothing in the preceding provisions of this section shall –

- (i) abridge or affect, or be deemed or construed to abridge or affect the liability of any person to any action, prosecution or penalty for any offence under Chapter XI of the Penal Code (Chapter 19) read with section 119 of this Act or for an offence under this Act;
- (ii) prohibit or be deemed or construed to prohibit the publication or disclosure of the name, or of the statement or of any part of the statement of any person for the purposes of any such action or prosecution; or
- (iii) affect the admissibility of any statement admissible under section 147.

Protection of witnesses and persons assisting the Commission and providing legal representation where necessary

77. The Commission shall have the power to provide legal representation to any informer, whistleblower or witness during an investigation, including inquiries at Magistrate’s Court, without prejudice to such investigations and at a trial in the High Court into an alleged offence committed against such whistleblower or witness in terms of sections 73, 74 and 75 of this Act.

Protection of victims’ rights

78. Nothing contained in this Act shall prejudice the rights of victims and witnesses ensured under the provisions of the Assistance to and Protection of Victims of Crime and Witnesses Act, No. 4 of 2015.

PART II

DECLARATION OF ASSETS AND LIABILITIES

Objects of this Part

79. Subject to section 2 of this Act, the objects of this Part shall be to –

- (a) compel all public officials to make periodic declarations of their assets and liabilities within and outside Sri Lanka;
- (b) provide for a centralized electronic system for submission of such declarations;
- (c) provide for reference to be made to such declarations by appropriate authorities and for investigations to be conducted, upon the receipt of any information against a person to whom this Part applies;
- (d) provide for appropriate measures to be taken in respect of late submissions and non-declaration of assets and liabilities, and for furnishing false declarations;
- (e) prevent illicit enrichment and conflicts of interest arising in the discharge of public functions or official activities, through public scrutiny; and
- (f) provide for matters connected therewith or incidental thereto.

80. (1) The provisions of this Part shall apply to every person belonging to any one of the following classes or descriptions:-

Application of
this Part

- (a) the President;
- (b) the Prime Minister;
- (c) Members of Parliament;
- (d) Governors of provinces;
- (e) members of Provincial Councils and staff officers of the Provincial Public Service;

- (f) elected members and staff officers of local authorities;
- (g) Judges and public officers appointed by the President;
- (h) public officers appointed by the Cabinet of Ministers;
- (i) judicial officers and scheduled public officers appointed by the Judicial Service Commission;
- (j) staff officers in Ministries and Government Departments;
- (k) members of the Constitutional Council appointed in terms of Article 41A (1) (e) of the Constitution, who are not members of Parliament;
- (l) persons appointed as Chairmen or members as the case may be of any of the Commissions specified in the Schedule to Article 41B of the Constitution;
- (m) staff officers of the Central Bank of Sri Lanka and State Banks;
- (n) staff officers of the Independent Commissions established under Article 41A (1)(c) of the Constitution or under any Statute;
- (o) Chairpersons, Commissioners, members and staff officers of independent regulatory and supervisory Commissions or bodies established by or under any Statute;
- (p) Chairmen, Directors, members of the Boards and executive officers of any public corporation established by or under any Statute;
- (q) private staff members of the Members of Parliament, members of Provincial Councils and members of local authorities;

- (r) officers of the Sri Lanka Army raised and maintained in accordance with the provisions of the Army Act (Chapter 357);
- (s) officers of the Sri Lanka Navy raised and maintained in accordance with the provisions of the Navy Act (Chapter 358);
- (t) commissioned officers of the Sri Lanka Air Force raised and maintained in accordance with the provisions of the Air Force Act (Chapter 359);
- (u) office-bearers of recognized political parties for the purposes of elections under the Presidential Elections Act, No.15 of 1981, the Parliamentary Elections Act, No. 1 of 1981, the Provincial Councils Elections Act, No. 2 of 1988, Local Authorities Elections Ordinance (Chapter 262) or the Trade Unions Ordinance (Chapter 138);
- (v) Executives of trade unions registered under the Trade Unions Ordinance (Chapter 138);
- (w) candidates nominated for election at elections to be held under the Presidential Elections Act, No. 15 of 1981, the Parliamentary Elections Act, No. 1 of 1981, the Provincial Councils Elections Act, No. 2 of 1988 or the Local Authorities Elections Ordinance (Chapter 262);
- (x) Chairmen, Directors and staff officers of Companies registered under the provisions of the Companies Act, No. 07 of 2007, in which not less than twenty five *per centum* of shares are held by the State or by a public corporation;
- (y) staff in managerial or supervisory roles of financial institutions which are scheduled institutions within the meaning of this Act;

- (z) Heads of Sri Lankan Diplomatic Missions;
- (aa) officers appointed by the Cabinet of Ministers to Sri Lankan Diplomatic Missions;
- (bb) proprietors, editors and members of the editorial staff of newspapers in respect of which declarations have been made under section 2 of the Newspaper Ordinance (Chapter 180);
- (cc) proprietors, editors and members of the editorial staff of media companies licensed under section 17 of the Sri Lanka Telecommunications Act, No. 25 of 1991;
- (dd) office bearers of National Associations of Sports established in terms of the Sports Law, No. 25 of 1973; and
- (ee) such categories of other officers as may be prescribed by regulations as high risk categories by taking into consideration the vulnerability of such officers to bribery or corruption having regard to the nature of the work they perform in their respective offices.

(2) A person to whom the provisions of this Part applies by virtue of the operation of subsection (1), is hereinafter in this Part referred to as a “person to whom this Part applies”.

Duty of persons to whom this Part applies to make declarations of assets and liabilities

81. Every person to whom this Part applies shall, make a declaration, in accordance with the provisions of section 82, (hereinafter in this Part referred to as a “declaration of assets and liabilities”), of all-

- (a) his assets and liabilities;
- (b) the assets and liabilities of his spouse;

- (c) the assets and liabilities of each of his dependant children irrespective of their age;
- (d) assets and liabilities of any other person's dependant on him irrespective of their age; and
- (e) the assets and liabilities of any other person who cohabits and shares the common household with the person to whom this Part applies for at least six months prior to the date of declaration except where such person does not share mutual rights and obligations with person to whom this Part applies.

82. (1) Every person to whom this Part applies shall, in the form as may be prescribed by regulations make declarations of assets and liabilities-

When to make declarations of assets and liabilities

- (a) within three months of the date of appointment (hereinafter referred to as the "first appointment declaration");
- (b) annually in terms of subsection (3) (hereinafter referred to as the "annual declaration");
- (c) within a period of fourteen days immediately after the end of the tenure of his employment or the date of his retirement or the date of dismissal from office as the case may be (hereinafter referred to as the "end of tenure or retirement declaration");
- (d) in two consecutive years immediately succeeding the year of making the declaration under paragraph (c) (hereinafter referred to as the "post retirement declaration");
- (e) where a significant change in the value of assets and liabilities amounting to ten million rupees or more than ten million rupees occurs, within one month from the date of such occurrence (hereinafter referred to as the "ad-hoc declaration"); and

- (f) when nomination papers are submitted for elections, under the Presidential Elections Act, No. 15 of 1981, the Parliamentary Elections Act, No. 1 of 1981, the Provincial Councils Elections Act, No. 2 of 1988 or the Local Authorities Elections Ordinance (Chapter 262) as the case may be.

(2) Where a person who on the appointed date is not a person to whom this Part applies, he shall, within three months of the date on which he becomes a person to whom this Part applies, make a declaration of assets and liabilities as at the date such person becomes a person to whom this Act applies:

Provided that, a person to whom this Part applies as is referred to in paragraph (w) of subsection (1) of section 80 shall submit his declaration for the period up to the date of the declaration made under the relevant law declaring the date of election.

(3) Every person who is required to make the first declaration of assets and liabilities under subsection (1) or (2) shall, unless such person ceases to be a person to whom this Part applies, by the thirtieth day of June in each year, make in the Form as may be prescribed by regulations a declaration of his assets and liabilities as at the thirty first day of March of such year and include in such declaration the assets and liabilities he held on the date on which he was first required to make a declaration of his assets and liabilities under this Part:

Provided that, where a person who is required to make a declaration of assets and liabilities under subsection (2) has made the first declaration as at any date within six months preceding the thirty first day of March in any year, he shall not be required to make another declaration for such year other than an ad- hoc declaration where a significant change referred to in paragraph (e) of subsection (1) occurs in his assets and liabilities.

83. (1) The submission and verification of declarations of assets and liabilities shall be made through the centralized electronic system administered by the Commission (hereinafter in this Part referred to as the “Central Authority”).

Submission
process of
declarations of
assets and
liabilities

(2) Electronic assets and liabilities declarations (hereinafter referred to as “electronic declaration”) shall be submitted either in Sinhala, Tamil or English language.

(3) The provisions of the Electronic Transactions Act, No. 19 of 2006 which are not expressly excluded by the provisions of this Act or are not inconsistent with the provisions of this Act shall apply to this Part.

(4) A person who has made an electronic assets and liabilities declaration may make alterations in such declaration-

- (a) within fifteen days for first or subsequent declarations; and
- (b) within seven days for ad-hoc declarations,

and the system will automatically close after that period:

Provided however, the person to whom this Part applies may be allowed access to the centralised electronic submission system to make alterations in his electronic declaration after fifteen days or seven days as the case may be with the special sanction of the Central Authority, where the Central Authority deems that a justifiable reason exists.

(5) Where a person to whom this Part applies makes an alteration in his declaration under subsection (4), such person shall be provided with copies of his original declaration to make the required alterations and the last copy of such person’s declaration shall be regarded as the true and final declaration.

(6) A person to whom this Part applies may seek assistance in submitting the declaration to be submitted under subsection (2), from the Central Authority or from any officer assigned by the Central Authority.

(7) Manual submission of declarations of assets and liabilities shall be allowed during the transitional period until the centralised electronic submission system comes into effect or in instances in which the electronic system has collapsed due to technical failures.

Verification
process

84. (1) The Central Authority shall conduct a verification of the declarations of assets and liabilities to detect *prima facie* proof of illicit enrichment, and conflicts of interests in the circumstances referred to in subsection (2).

(2) The Central Authority shall conduct a verification of the declarations of asset and liabilities in the following circumstances:-

- (a) when such declarations are selected for such verification according to the procedure prescribed by regulations;
- (b) upon discrepancies and red flags automatically detected in the electronic system;
- (c) upon receipt of a complaint from any person on an illicit enrichment or conflict of interest with regard to a person to whom this Part applies; or
- (d) when the Central Authority *ex mero motu* detects *prima facie* proofs of possible violation through public sources or its own investigations.

(3) The detection of illicit enrichment upon any verification conducted under subsection (2) shall lead to an investigation under section 42.

85. (1) Notwithstanding the provisions of any other law, the Central Authority shall have access to records and databases of any other public authority within Sri Lanka for the purpose of verification of declarations of assets and liabilities in so far as the information accessed pertains to assets, liabilities, income, expenditure, and interests which gives rise to or may give rise to conflicts of interest.

Access to other records

(2) For the purpose of this Part, public authority shall have the same meaning as in the Right to Information Act, No. 12 of 2016 and shall include the Department of Inland Revenue, Department of Motor Traffic, Department of Customs and Registrar General of Lands and Registrar General of Title.

86. The Attorney-General, the Commission, the Commissioner-General of Inland Revenue, the Head of the Department of Exchange Control, Inspector General of Police, designated officers of special police units, Director-General of Customs and designated officers of Financial Intelligence Unit shall have the right to call for and refer to any declaration of assets and liabilities submitted under this Part with the sanction of the Central Authority.

Power to refer declaration of assets and liabilities

87. (1) There shall be a data base maintained by the Central Authority for the purpose of securing information in electronic form relating to assets and liabilities of every person to whom this Part applies (hereinafter referred to as the “centralized electronic system”).

Centralized Electronic System

(2) Regulations may be made to prescribe the manner of maintaining the centralized electronic system.

(3) Nothing contained in the Evidence (Special Provisions) Act, No. 14 of 1995 shall apply to and in relation to any data, message, electronic document, electronic record or other document to which the provisions of this Act apply.

(4) The Commission shall specify by way of rules the authorizing or facilitating the use of the centralized electronic system.

Public Access

88. (1) The centralized electronic system shall automatically generate redacted version of every declaration of assets and liabilities which is accessible to the general public within one month of its submission through the official website of the Commission. Such redacted version shall not include –

- (a) the address of the residence of the declarant or of any other person, whose assets are declared by the declarant;
- (b) full address/es of declared real estate except information pertaining to the ward and district in which the real estate is situated;
- (c) date of birth, National Identity Card Number, Passport Number or any other number recognized by the relevant authorities for the purpose of identification of individuals mentioned in the declaration;
- (d) bank account numbers; or
- (e) any other deposit details:

Provided that, when generating the aforementioned redacted version of a declaration of assets and liabilities, the commission shall ascertain the identity of the person obtaining the redacted version and the identity of such person shall be recorded.

(2) The Central Authority shall, within a period of three months of the commencement of the functions of the Central Authority, appoint an officer as the Information Officer of the Central Authority in terms of section 23 of the Right to Information Act, No. 12 of 2016 and the Head of the Central Authority shall be the Designated Officer for the purposes of the said Act.

Access to
declarations of
candidates of
elections

89. Every candidate of elections referred to in paragraph (w) of subsection (1) of section 80 shall, submit a copy of the form and a summary of the declaration of assets, and liabilities, to the Commissioner of Elections together with such candidate's nomination papers.

90. (1) If a person whom declarations of assets and liabilities are to be made under this Part fails to comply with the requirements of this Part, within two weeks from thirtieth June each year, such person shall be warned by sending letters by the Central Authority.

Offences related
to the declaration
of Assets and
Liabilities

(2) Any person who fails to submit his annual declaration or the post retirement declaration under section 82 of this Act on due date, shall be liable to a daily administrative fine imposed by the Central Authority equivalent to one thirtieth of the last drawn gross monthly salary of the declarant for the period commencing from the due date of the declaration up to thirty first day of July. An enhanced daily administrative fine equivalent to one thirtieth of last drawn gross salary for last six months will be imposed for late submissions from first of August to thirty first of August. The fine shall be a surcharge on the remuneration or the retirement benefit as the case may be.

(3) Any person who fails to submit his first appointment declaration, ad-hoc declaration or the end of tenure or retirement declaration under section 82 of this Act on due date, shall be liable to a daily administrative fine imposed by the Central Authority equivalent to one thirtieth of the last drawn gross monthly salary of the declarant. A fine will be imposed for late submissions up to fourteen days after the due date for the submissions. An enhanced daily administrative fine equivalent to one thirtieth of the last drawn gross monthly salaries for last six months shall be imposed for late submissions between fourteen days and twenty eight days after the due date for the submission of such declaration.

(4) Any person who fails to submit his declaration of assets and liabilities along with his application form for nomination for an election, shall be liable to sanctions in accordance with the provisions of the relevant written laws.

(5) Any person who fails to submit the annual declaration or the post retirement declaration as the case may be until the first of September of the relevant year commits an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine equivalent to last drawn gross salaries for twelve months of that person or to a term of imprisonment of either description not exceeding one year or to both such fine and imprisonment:

Provided that, the Commission shall investigate of such non-submission, for the purposes of verifications.

(6) Any person who fails to submit the first appointment declaration, ad-hoc declaration or the end of tenure or retirement declaration until twenty eight days after the due date, commits an offence and shall on conviction after summary trial before a Magistrate, be liable to a fine equivalent to-

- (a) one hundred thousand rupees, where any person fails to submit his first appointment declaration;
- (b) one hundred thousand rupees, where any person fails to submit his ad-hoc declaration; or
- (c) last drawn gross salary of that person, where any person fails to submit his end of tenure or retirement declaration,

or to a term of imprisonment not exceeding one year or to both such fine and imprisonment:

Provided that, the Commission shall investigate, of the non submission for the purposes of verifications.

(7) Any person -

- (a) who makes any false statement in any declaration;
or

- (b) who willfully omits any asset or liability from any declaration,

commits an offence and shall on conviction after summary trial before a Magistrate, be liable to a fine not exceeding two hundred thousand rupees or to a term of imprisonment not exceeding one year or to both such fine and imprisonment.

(8) Any person who fails without reasonable cause to provide any additional information as may be required by the Commission, commits an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one hundred thousand rupees or to a term of imprisonment of either description not exceeding one year or to both such fine and imprisonment.

(9) A person who is convicted of an offence under subsection (6) or (7) shall, within a period of fourteen days after the date of conviction, or in the event of an appeal against such conviction, within a period of fourteen days after the date of affirmation of such conviction, make the declaration of assets and liabilities referred to in section 81. The provisions of section 79 and the provisions of the other preceding sections of this Part shall, *mutatis mutandis*, apply to any declaration of assets and liabilities made by such person under this subsection in like manner and to the same extent as they apply to any declaration of assets and liabilities made under section 81.

(10) Where any person is convicted of an offence under paragraph (b) of subsection (7), the asset in respect of which the offence was committed shall by virtue of such conviction be vested in the State free of all encumbrances.

(11) The vesting of any assets in the State under preceding subsection (10) 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 the 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, after the expiration of the period within which an appeal may be preferred to the Supreme Court against the order of forfeiture.

(12) All administrative fines under this Chapter imposed upon any person by the Central Authority shall be surcharged on the remuneration or the retirement benefit as the case may be of such person, and shall be remitted to the Fund of the Commission.

Power of the Commission to call for additional information

91. The Central Authority may, at any time, call for such additional information as the Commission may require from—

- (a) any person who has made a declaration of assets and liabilities under this Part, and utilize such information or the declaration made under this Part; or
- (b) any other person, any information, record or document,

for the performance of its functions under Part I of this Act.

Assets and Liabilities

92. In this Part unless the context otherwise requires “assets and liabilities” means assets, liabilities, income, expenditure and interests directly or beneficially owned in or outside Sri Lanka, the details of which shall be prescribed by regulations.

PART III

CHAPTER I

OFFENCES RELATING TO BRIBERY OR CORRUPTION

- 93.** A person –
- (a) who offers any gratification to a Judge of the Supreme Court, Court of Appeal or High Court or a judicial officer, or a member of a tribunal or an institution or a person exercising quasi-judicial power, or a member of Parliament or a member of a Provincial Council or a local authority as an inducement or a reward for such Judge's or officer's or Member's doing or for bearing to do any act in his judicial capacity or in his capacity as such Member, or
 - (b) who, being a Judge of the Supreme Court, Court of Appeal, High Court or a judicial officer, or a member of tribunal or an institution or a person exercising quasi-judicial power, or a Member of Parliament, or a member of Provincial Council or a local authority solicits or accepts any gratification as an inducement or a reward for his doing or forbearing to do any act in his judicial capacity or in his capacity as such Member,

Bribery of Judges of the Supreme Court, Court of Appeal, High Courts, judicial officers, members of tribunals or institutions and persons exercising quasi-judicial powers and Members of Parliament, Provincial Councils and local authorities

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

- 94.** A Member of Parliament, a member of a Provincial Council or a local authority who solicits or accepts any gratification as an inducement or a reward for –
- (a) interviewing a public official on behalf of any person; or
 - (b) appearing on behalf of any person before a public official exercising judicial or quasi-judicial functions,

Acceptance of gratification by Members of Parliament a Provincial Council or a local authority for interviewing public officials

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and for a term of rigorous imprisonment not exceeding seven years:

Provided however, that it shall not be an offence under the preceding provisions of this section for a Member of Parliament to appear as an attorney-at-law before a court of law or before a statutory tribunal of which a public official is not a member.

Illegal access etc to electronic assets declaration system to be an offence

95. Any person who accesses the centralized electronic system illegally or without due authority commits an offence and on conviction be liable to fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

Bribery of police officers, peace officers and other public officials

96. A person -

(a) who offers any gratification to any police officer, peace officer, or other public official, employed in any capacity for the prosecution, detection or punishment of offenders, or to an officer of a court, as an inducement or a reward for such officer's or official's interfering with the due administration of justice, or procuring or facilitating the commission of any offence, or protecting from detection or punishment the perpetrator of any offence, or abusing his official powers to the injury or detriment of any person; or

(b) who, being any such officer or official, solicits or accepts any gratification as an inducement or a reward for such interfering, procuring, facilitating, protecting, or abusing as is referred to in paragraph (a) of this section,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

97. A person -

Bribery for giving assistance or using influence with regard to contracts

- (a) who offers any gratification to a public official as an inducement or reward for such public official giving assistance or using influence in the promotion of the procuring of any contract with the Government, for the performance of any work, the providing of any service, the doing of anything, or the supplying of any article, material or substance, or in the execution of any such contract, or in the payment of the price or consideration stipulated therein or of any subsidy payable in respect thereof; or
- (b) who, being a public official, solicits or accepts any gratification as an inducement or a reward for his giving assistance or using influence in the promotion of the procuring of any such contract as is referred to in paragraph (a) of this section, or in the execution of any such contract, or in the payment of the price or consideration stipulated therein or of any subsidy payable in respect thereof,

commits an offence and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

98. A person –

Bribery for procuring withdrawal of tenders

- (a) who, with intent to obtain from the Government a contract for performing any work, providing any service, doing anything, or supplying any article, material or substance, offers any gratification to any person who has made a tender for such contract, as an inducement or a reward for his withdrawing such tender; or

- (b) who solicits or accepts any gratification as an inducement or a reward for his withdrawing a tender made by him for such contract as is specified in paragraph (a),

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

Bribery in
respect of
Government
business

99. A person -

- (a) who offers any gratification to a public official as an inducement or a reward for that public official performing or abstaining from performing any official act, or expediting, delaying, hindering or preventing the performance of any official act whether by that public official or by any other public official, or assisting, favouring, hindering or delaying any person in the transaction of any business with the Government;
- (b) who, being a public official, solicits or accepts any gratification as an inducement or a reward for his performing or abstaining from performing any official act or for such expediting, delaying, hindering, preventing, assisting or favouring any such official act as is referred to in paragraph (a) of this section; or
- (c) who, being a public official solicits or accepts any gratification,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

Provided that, section 35 of the Medical Ordinance (Chapter 105) shall not entitle a medical practitioner who is a public official to solicit or accept any gratification.

100. A person-

- (a) who offers any gratification to any person as an inducement or a reward for—
 - (i) his procuring from the Government the payment of the whole or a part of any claim;
 - (ii) his procuring or furthering the appointment of the first-mentioned person or of any other person to any office;
 - (iii) his preventing the appointment of any other person to any office;
 - (iv) his procuring, or furthering the securing of, any employment for the first-mentioned person or for any other person in any department, office or establishment of the Government;
 - (v) his preventing the securing of any employment for any other person in any department, office or establishment of the Government;
 - (vi) his procuring, or furthering the securing of any grant, lease, service, favour, advantage or other benefit from the Government for the first-mentioned person or for any other person; or
 - (vii) his preventing the securing of any such grant, lease, service, favour, advantage or other benefit for any other person; or

Bribery of public officials by persons having dealings with the Government

- (b) who solicits or accepts any gratification as an inducement or a reward for his doing any of the acts specified in subparagraphs (i), (ii), (iii), (iv), (v), (vi) and (vii) of paragraph (a) of this section,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

Bribery of public officials by persons having dealings with the Government

101. A person –

- (a) who, while having dealings of any kind with the Government through any department, office or establishment of the Government, offers any gratification to any public official employed in that department, office or establishment;
- (b) who, within one year before or after his having dealings of any kind with the Government through any department, office or establishment of the Government, offers any gratification to any public official employed in that department, office or establishment; or
- (c) who, being a public official, solicits or accepts any gratification, the offer of which is an offence under this section,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years:

102. A person -

- (a) who offers any gratification to any member of a Provincial Council or a local authority, or of a scheduled institution, or of the governing body of a scheduled institution, as an inducement or a reward for -
 - (i) such member's voting or abstaining from voting at any meeting of such Provincial Council, local authority, scheduled institution, or governing body or of a committee thereof in favour of or against any measure, resolution or question submitted to such Provincial Council, local authority, scheduled institution, governing body or committee;
 - (ii) such member's performing, or abstaining from performing, or his aid in procuring, expediting, delaying, hindering or preventing the performance of any official act; or
 - (iii) such member's aid in procuring or preventing the passing of any vote or the granting of any contract or advantage in favour of any person;
- (b) who offers any gratification to any officer or employee of any local authority or a Provincial Council, or of any scheduled institution, as an inducement or a reward for -
 - (i) such officer's or employee's performing or abstaining from performing, or his aid in procuring, expediting, delaying, hindering or preventing the performance of, any official act; or
 - (ii) such officer's or employee's procuring or preventing the passing of any vote or the

Bribery of a member of a Provincial Council or a local authority, or of a scheduled institution, or of a governing body of a scheduled institution, and bribery of official of a Provincial Council or a local authority or a scheduled institution or a governing body of such scheduled institution

granting of any contract or advantage in favour of any person;

- (c) who, being such member as is referred to in paragraph (a) of this section, solicits or accepts any gratification as an inducement or a reward for any such act, or any such abstaining, as is referred to in subparagraphs (i), (ii) and (iii) of that paragraph; or
- (d) who, being such officer or employee as is referred to in paragraph (b) of this section, solicits or accepts any gratification as an inducement or a reward for any such act, or any such abstaining, as is referred to in subparagraphs (i) and (ii) of that paragraph,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees and to term of rigorous imprisonment not exceeding seven years.

Use of threats or fraud to influence vote of member of a Provincial Council, local authority, or of a scheduled institution, or of a governing body of a scheduled institution

103. A person -

- (a) who, attempts by any threat, deceit, suppression of the truth or other unlawful means to influence any member of a Provincial Council, a local authority, or of a scheduled institution or of the governing body of a scheduled institution or a committee thereof in giving or withholding his vote in favour of or against any measure, motion, resolution or question submitted to any meeting, or in not attending any meeting, of such Provincial Council, local authority, scheduled institution, or governing body or of any committee thereof; or
- (b) who attempts by any such means as in the paragraph (a) to influence any member or any officer or employee of a Provincial Council, a local authority, or of a scheduled institution, or of the governing body of a scheduled institution to aid in procuring or preventing the passing of any vote or the granting of any contract or advantage in favour of any person,

or to perform or abstain from performing, or to aid in procuring, expediting, delaying, hindering or preventing the performance of, any official act,

commits an offence under this Act and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

104. (1) A person who offers to a public official or any other person, directly or indirectly any gratification in order to influence such public official or other person with a view to obtaining from the Government any benefit or service for himself or any other person commits the offence of bribery and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

Trading in
influence

(2) A public official or any other person who, directly or indirectly, solicits or accepts any gratification as is referred to in subsection (1) commits an offence of bribery and on conviction be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years.

105. (1) A person who offers to a foreign public official a gratification, for him-

Bribery of a
foreign public
official

- (a) to obtain or retain a contract, business or an advantage in the conduct of international business; and
- (b) to act or refrains from acting in the exercise of such foreign public official's official duties in a manner that breaches an official duty or uses such foreign public official's or another person's position to influence any act or decision of the foreign State or public international organization concerned,

commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

(2) For the purposes of this section, international business includes the provision of international aid.

(3) A person who offers a gratification under this section commits an offence under this section, irrespective of –

- (a) whether the gratification is offered for the benefit of the foreign public official who is to act or refrain from acting or act or refrain from acting for another person;
- (b) whether the gratification offered has actually influenced the foreign public official's actions or omissions; or
- (c) whether the gratification offered to the foreign public official is neither permitted nor required by the written law applicable to him to be influenced in his capacity as a foreign public official.

(4) For the purposes of paragraph (c) of subsection (3), the written law applicable to the foreign public official shall mean —

- (a) where the performance of the functions of the foreign public official which the person intends to influence would be subject to the laws of Sri Lanka; and
- (b) where paragraph (a) does not apply and the foreign public official is an official or agent of a public international organization, the applicable written rules of that organization:

Provided however, where paragraphs (a) and (b) do not apply, the law of the country or territory in relation to which the foreign public official is a foreign public official so far as that law is contained in—

- (i) any written Constitution, or any provision made by or under legislation, applicable to the country or territory concerned; or
- (ii) any judicial decision which is so applicable and is evidenced in published written sources.

106. (1) Any person who, in the course of any economic, financial or commercial activity, offers, directly or indirectly, a gratification on behalf of himself or another person to any employee in any capacity or a director in a private sector entity, in order to commit any act or refrain from committing any act in breach of his duties, commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

Bribery in the private sector

(2) An employee in any capacity or a director in a private sector entity, in the course of economic, financial or commercial activities, solicits or accepts, directly or indirectly an advantage, for himself or for another person, in order to act or refrain from doing any act in breach of the duties of such employee or director, commits an offence of bribery under this Act and on conviction be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

107. (1) Where a public authority in which a public official is a member, director, or employee proposes to deal with a person, company, partnership or other undertaking in which that public official or a relative or associate of such public official has a direct or indirect interest which interest is within his knowledge of that public official shall forthwith disclose to that authority the nature of such interest in the manner as may be prescribed by regulations.

Failure to declare conflicts of interest

(2) Where a public official or a relative or associate of such public official has a personal interest in a decision which a public authority is to take regarding a person, company, partnership or other undertaking, that public official shall not vote or take part in any proceedings of that public authority relating to such decision.

(3) Any public official who contravenes the provisions of subsection (1) or (2) commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

(4) The Commission shall specify by way of rules the handling and management of conflict of interest of public officials.

Offences relating
to sporting
events

108. (1) Any person who, directly or indirectly accepts or agrees or offers to accept any gratification from any other person, whether for the benefit of himself or for the benefit of that other person or of another person-

(a) in return for-

- (i) engaging in any act which constitutes a threat to or undermines the integrity of any sporting event, including, in any way, influencing the run of play or the outcome of a sporting event; or
- (ii) not reporting the act contemplated in this section to the managing director, chief executive officer or to any other person holding a similar post in the sporting body or regulatory authority concerned or to the nearest police station; or

(b) as a reward for acting as contemplated in subparagraph (i) of paragraph (a),

commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

(2) Any person who, directly or indirectly gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person-

(a) in return for-

(i) engaging in any act which constitutes a threat to or undermines the integrity of any sporting event, including, in any way, influencing the run of play or the outcome of a sporting event; or

(ii) not reporting the act contemplated in this section to the managing director, chief executive officer or to any other person holding a similar post in the sporting body or regulatory authority concerned or to such person's nearest police station; or

(b) as a reward for acting as contemplated in paragraph (a),

commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

(3) Any person who directly or indirectly carries into effect any scheme which constitutes a threat to or undermines the integrity of any sporting event, including, in any way, influencing the run of play or the outcome of a sporting event, commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees or to a term of rigorous imprisonment not exceeding seven years or to both such fine and imprisonment.

(4) Notwithstanding anything to the contrary in this section, the offences of Chapter 1 of Part II of the Prevention of Offences relating to Sports Act, No. 24 of 2019, shall have the same meaning as in the respective sections and shall carry the same punishment as specified in the respective sections.

Accumulation of
wealth by an
offence under
this Act

109. (1) Where a person has or had acquired any property, and such property –

- (a) being money, which cannot be or could not have been –
 - (i) part of such person's known income or receipts; or
 - (ii) money to which any part of his known receipts has or had been converted; or
- (b) being property other than money, which cannot be or could not have been -
 - (i) property acquired using any part of such person's known income;
 - (ii) property which is or was part of such person's known receipts; or

- (iii) property to which any part of such person's known receipts has or had been converted,

then, for the purposes of any prosecution under this section, it shall be deemed, until the contrary is proved by such person, that such property is or was property which such person has or had acquired by the commission of any of the offences under this Chapter of this Act or to which such person has or had converted any property acquired by committing an offence under this Act.

(2) In subsection (1) "income" does not include income from proceeds of an offence under this Act, and "receipts" do not include receipts from proceeds of an offence under this Act.

(3) A person who is or had been the owner of any property which is deemed under subsection (1) to be property which such person has or had acquired by committing an offence under this Act or to which such person has or had converted any property acquired by such person by committing any offence under this Act, commits an offence and shall on conviction by the High Court be liable to a fine not exceeding one million rupees and to a term of rigorous imprisonment not exceeding seven years:

Provided that, where such property is or was money deposited to the credit of such person's account in any bank and such person satisfies the court that such deposit has or had been made by any other person without such person's consent or knowledge, such person shall not be considered as a person who commits or who has committed an offence under the preceding provisions of this subsection.

(4) No prosecution for an offence under this section shall be instituted against any person unless the Commission has given such person an opportunity to show cause as to why such person should not be prosecuted for such offence and where such person has failed to show cause as such or the cause shown by such person is unsatisfactory in the opinion of such Commission a prosecution shall then be instituted against such person under this section.

(5) For the purposes of this section, where a spouse or an unmarried child under the age of eighteen years of a person has or had acquired any property movable or immovable on or after the date of commencement of this Act, it shall be presumed until the contrary is proved that such property was acquired by such person aforesaid and not by such spouse or unmarried child, as the case may be.

(6) (a) In any prosecution for an offence under this section, a certificate from the Chief Valuer with regard to the value of any immovable property or the cost of construction of any building on such property shall be sufficient proof of such value and such cost of construction unless and until the contrary is proved.

(b) In this subsection, “Chief Valuer” means the Chief Valuer of the Government, and includes any Senior Assistant Valuer, or Assistant Valuer of the Government Valuation Department.

(7) For the purpose of this section “a person” shall mean any person whomsoever, whether or not such person can be shown to have been concerned with any act referred to in this Chapter or whether or not he is a public official within the meaning of this Act.

(8) Notwithstanding anything to the contrary in any other provision of this Part, where a court convicts a person of an offence under this Part, the court may in lieu of imposing a penalty or fine, make order that any movable or immovable property found to have been acquired by bribery or by the proceeds of bribery, be forfeited to the State free from all encumbrances:

Provided however, that, in determining whether an order of forfeiture should be made, the court shall be entitled to take into consideration 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 property.

(9) An order made under subsection (8) shall take effect—

- (a) where an appeal has been made 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; or
- (b) where no appeal has been preferred to the Court of Appeal or the Supreme Court against the order of forfeiture, after the expiration of the period within which an appeal may be preferred to the Court of Appeal or the Supreme Court against such order.

(10) A person, who conceals or retains proceeds or any part thereof of an offence committed under this Act, knowing that property is the result of proceeds of an offence under this Act shall commit an offence and shall be liable on conviction to a rigorous imprisonment for a term not exceeding seven years or to a fine not exceeding one million rupees or to both such fine and imprisonment:

Provided that, a person conceals or retains proceeds or any part thereof whether or not he conceals or retains such proceeds directly or indirectly through intermediaries or for his own benefit or for the benefit of another or of an entity.

Gratification

110. (1) A person offers a gratification if he or any other person acting with his knowledge or consent directly or indirectly gives, affords or holds out, or agrees, undertakes or promises to give, afford or hold out, any gratification to or for the benefit of or in trust for any other person.

(2) A person solicits a gratification if he, or any other person acting with his knowledge or consent, directly or indirectly demands, invites, asks for, or indicates willingness to receive, any gratification, whether for the first-mentioned person or for any other person.

(3) A person accepts a gratification if he, or any other person acting with his knowledge or consent, directly or indirectly takes, receives or obtains, or agrees to take, receive or obtain any gratification, whether for the first-mentioned person or for any other person.

(4) Any person who offers, solicits or accepts a gratification which is an offence under this Act shall, if such offer, solicitation or acceptance was made outside Sri Lanka, be deemed to have committed such offence within Sri Lanka, and accordingly the High Court holden in Colombo shall have jurisdiction to try such offence notwithstanding anything to the contrary in any other written law.

Corruption

111. Any public official who, with intent or knowledge to cause wrongful or unlawful loss to the Government, or to confer a wrongful or unlawful benefit, favour or advantage

on himself or on any other person, or with intent or knowledge, that any wrongful or unlawful loss will be caused to any person or to the Government, or that any wrongful or unlawful benefit, favour or advantage will be conferred on any person-

- (a) does, or forbears to do, any act by virtue of his office as a public official or by use of such office with or without any power therefor vested with such officer;
- (b) induces any other public official to perform, or refrain from performing, any act by virtue of his office as a public official;
- (c) uses any information coming to his knowledge by virtue of his office as a public official;
- (d) participates in the making of any decision by virtue of his office as a public official; or
- (e) induces any other person, by the use, whether directly or indirectly, of his office as such public official to perform, or refrain from performing any act,

commits the offence of corruption and shall upon trial and conviction by a High Court or upon summary trial and conviction by a Magistrate be liable to rigorous imprisonment for a term not exceeding ten years or to a fine not exceeding one million rupees or to both such imprisonment and fine.

112. (1) Where any person commits an offence under this Act, which amounts to an unlawful activity within the meaning of the Prevention of Money Laundering Act, No. 5 of 2006, such person may be charged for an offence under that Act in addition to an offence under this Act.

An offender under this Act, may be charged with an offence under the Prevention of Money Laundering Act

(2) The provisions of the Prevention of Money Laundering Act, No. 5 of 2006 shall, *mutatis mutandis*, apply to the inquiries, investigations and proceedings respect of such offence under that Act and any reference in the said Act to the Assistant Superintendent of Police or any other police officer shall be read and construed as a reference to an officer designated by the Commission under this Act.

Acceptance of gratification without power

113. (1) Where in any proceedings against any person for any offence under this Act, it is proved that such person solicited or accepted any gratification, having grounds to believe or suspect that the gratification was offered in consideration of such person's doing or forbearing to do any act referred to in that section, such person commits an offence under that section notwithstanding that such person did not actually have the power, right or opportunity so to do or forbear or that such person accepted the gratification without intending so to do or forbear or that such person did not in fact so do or forbear.

(2) Where in any proceedings against any person for an offence under section 111 of this Act, it is proved that such person intended to cause wrongful or unlawful loss to the Government, or to confer a wrongful or unlawful benefit, favour or advantage on such person or any other person, or had knowledge, that any wrongful or unlawful loss will be caused to any person or to the Government, or that any wrongful or unlawful benefit, favour or advantage will be conferred on any person by such person's doing or forbearing to do any act referred to in that section, such person commits an offence under that section notwithstanding that such person did not actually have the power, right or opportunity so to do or forbear or that such person did not in fact so do or forbear.

114. (1) Where a court convicts any person for an offence committed by the offer or acceptance of any gratification in contravention of any provision of this Act, then, if that gratification is a sum of money or if the value of that gratification can be assessed, the court shall, in addition to imposing on that person any other punishment, order him to pay as a penalty, within such time as may be specified in the order, a sum which is equal to the amount of that gratification or is, in the opinion of the court, the value of that gratification.

Additional penalties

(2) Where the High Court convicts any person for committing an offence under section 109 it shall, in addition to any other penalty that it is required to impose under this Act, impose a fine of not less than the amount which such Court has found, to have been acquired by bribery or by the proceeds of bribery or to have converted to property by bribery, and shall not exceed three times such amount.

(3) A fine or a penalty imposed by a court on any person for the commission of any offence under this Act may be recovered as if the order imposing the fine or the penalty were a decree entered by District Court in favour of the State and against that person, where the fine or penalty exceeds one million rupees and the person charged with such fine or penalty fails to pay such fine or penalty.

(4) Where the person liable to pay the fine or penalty referred to in the preceding provisions of this section was a public official on the date of commission of the offence for

which the fine or penalty was imposed, then, notwithstanding anything to the contrary in any other written law, any movable or immovable property acquired after the said date by the spouse of, or a son or daughter maintained by such person shall, in addition to the movable and immovable property of such person, be liable to be seized and sold for the recovery of the amount of such fine or penalty, if the property so acquired—

- (a) was purchased by such spouse, son or daughter;
- (b) was purchased in the name of such spouse, son or daughter by the person liable to pay such fine or penalty;
- (c) was acquired by such spouse, son or daughter by purchase, gift or otherwise from the person who offered the gratification for the acceptance of which the person liable to pay such fine or penalty became so liable; or
- (d) was acquired by testate or intestate succession from the person liable to pay such fine or penalty.

(5) Notwithstanding anything to the contrary in any other provision of this Act, where a court convicts a person, the court may, for any offence under this Act, make order that any movable or immovable property found to have been acquired by the commission of such offence or by the proceeds of such offence, be forfeited to the State free from all encumbrances:

Provided however that, in determining whether an order of forfeiture should be made, the court shall be entitled to take into consideration 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 property.

(6) An order made under subsection (5) shall take effect –

- (a) where an appeal has been made 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; or
- (b) where no appeal has been preferred to the Court of Appeal or the Supreme Court against the order of forfeiture, after the expiration of the period within which an appeal may be preferred to the Court of Appeal or the Supreme Court, against such order.

(7) Where a person is convicted of an offence under this Chapter of this Part, notwithstanding anything to the contrary in subsections (7) and (8) of section 303 of the Code of Criminal Procedure Act, No. 15 of 1979, by reason of such conviction or finding-

- (a) such person shall become incapable of being-
 - (i) registered as an elector or of voting at any election for a period of seven years from the date of such conviction or finding under Parliamentary Elections Act, No. 1 of 1981 and Presidential Elections Act, No. 15 of 1981; or for a period of five years under Provincial Councils Elections Act, No. 2 of 1988, or the Local Authorities Elections Ordinance (Chapter 262), or

- (ii) elected or appointed as a Member of Parliament or as a member of a local authority or a Provincial Council from the date of such conviction or finding and, if at that date such person has been elected or appointed as a Member of Parliament or member of a local authority, or of a Provincial Council such person's election or appointment as such member shall be vacated from that date;
- (b) such person shall be disqualified for life from being employed as a public official and from being elected or appointed to a scheduled institution or to the governing body of a scheduled institution;
- (c) such person shall, if he is a member of a scheduled institution or of the governing body of a scheduled institution, cease to be a member of either of such institutions from the date of such conviction or finding; and
- (d) such person shall, if he is a public official, cease to be a public official from the date of such conviction or finding and, notwithstanding anything to the contrary in any other written law, be deemed to have been dismissed on that date by the authority empowered by law to dismiss him.

Non conviction
based forfeiture
of property

115. (1) The High Court shall, on an application made by the Director-General or any officer authorized by the Commission within a reasonable period grant a non conviction based forfeiture order in respect of any property within the jurisdiction of such court where the court is satisfied *prima facie* on the balance of probabilities that such property is or such property represents property obtained through any of the offences committed under this Act or property intended to be used in committing any of the offences under this Act.

(2) For the purposes of subsection (1), to be satisfied that a property is subject to the provision of subsection (1), it is not necessary to show that-

- (a) the property was derived directly or indirectly, in whole or in part, from the commission of a particular offence under this Act; or
- (b) any person has been prosecuted or convicted in relation to such an offence,

but only that it is the proceeds from any offence under this Act or it was used or intended to be used to commit an offence under this Act.

(3) An application for forfeiture may be made in respect of property into which original proceeds of an offence under this Act have been converted either by sale or otherwise.

(4) The Director-General shall give notice in writing regarding an application made under subsection (1) to any person who claims an interest in such property which is the subject matter of such application or to any person who is known to have an interest in such property or where the Director-General reasonably believes that a person may have an interest in such property, to such person not less than thirty days of making such application:

Provided however, the Director-General may dispense with the notice if that person has absconded from the proceedings.

(5) Any person who claims an interest in a property which is the subject matter of the application made under subsection (1), may appear and adduce evidence at the hearing of such application.

(6) The Court may, at any time before a decision is made on the application made under subsection (1), order the Director-General to publish a notice of such application in a daily news paper circulating in the island in Sinhala, Tamil and English languages, for the benefit of any person who, in the opinion of the court, appears to have any interest in such application.

(7) Where a person claiming an interest in any property which is the subject matter of any application made under subsection (1), satisfies the court that such person has acquired—

- (a) the interest in such property before any offence relating to such property under this Act has been committed; or
- (b) the interest for a fair value after any offence relating to such property under this Act was committed but did not know or could not reasonably have known before obtaining such interest that the property was the proceeds of any offence committed under this Act,

the court may make such order regarding such interest declaring that the forfeiture order shall not affect such interest to such extent or in such manner.

(8) The court may when it makes a forfeiture order under this section or any time thereafter, make any other order which the court may consider appropriate, including orders for and in respect of facilitating the transfer of such property.

(9) Any order made under this section shall not be affected by any decision of any criminal proceeding or of an investigation conducted to determine whether criminal proceedings shall be instituted or not, in respect of the property which is the subject matter of this application.

(10) The provisions of subsection (4) of section 114 relating to forfeiture order shall *mutatis mutandis* apply for forfeiture orders under this section.

116. Where a body of persons is convicted of an offence under this Act, then-

Offences by
body of persons

- (a) if such body of persons is a body incorporate or unincorporate or a corporation, every director or officer or agent thereof; and
- (b) if such body of persons is a firm, every partner,

shall be liable to a fine as specified for the respective offences:

Provided however, a director or an officer or agent of such body incorporate, unincorporate or of such corporation or partner of such firm shall not be deemed to be guilty of such offence if he proves that such offence was committed without his knowledge or that he used all due diligence to prevent the commission of such offence.

117. For the purposes of this Part, a public official or an employee of a private sector entity shall include —

Employee shall
include former
employees, etc.

- (a) a former employee;
- (b) a person seconded to the public authority or private sector entity;
- (c) an individual who is engaged or contracted under a contract for services to do work for the public authority or private sector entity;
- (d) a person concerned in the management of the public authority or private sector entity (including a person who is a member of the board or governing body of the public authority or private sector entity);

- (e) a person who works for the public authority or private sector entity as a volunteer without reward or expectation of reward for that work; or
- (f) a trainee or an apprentice of the public authority or private sector entity.

CHAPTER II

PROCEDURAL OFFENCES

Contempt

118. (1) Every offence of contempt committed against or in disrespect of, the authority of the Commission shall be punishable by the Supreme Court as though it were an offence of contempt committed against, or in disrespect of the authority of such court, and the Supreme Court is hereby vested with jurisdiction to try every such offence.

(2) An act done or omitted to be done in relation to the Commission, whether in the presence of the Commission or otherwise, shall constitute an offence of contempt against, or in disrespect of the authority of the Commission, if such act would, if done or omitted to be done in relation to the Supreme Court, have constituted an offence of contempt against or in disrespect of the authority of such court.

(3) If any person-

- (a) fails to appear before the Commission without a cause reasonable enough in the opinion of the Commission, at the time and place mentioned in a summon served under this Act;
- (b) refuses to be sworn or affirmed or, having been duly sworn or affirmed, refuses or fails without a cause reasonable enough in the opinion of the Commission, to answer any question put to such person touching the matters being investigated by the Commission;

- (c) refuses or fails without a cause reasonable enough in the opinion of the Commission, to comply with the requirements of a notice or written order issued or made to such person by the Commission; or
- (d) upon whom a summons is served under this Act, refuses or fails without a cause reasonable enough in the opinion of the Commission, to produce and show to the Commission any document or other thing which is in such person's possession or control and which is in the opinion of the Commission necessary for arriving at the truth of the matters being investigated,

such person commits the offence of contempt against or in disrespect of the authority of the Commission.

(4) For the purposes of this section, it shall not be deemed to be a reasonable cause for a person to refuse or fail to answer any question or to produce and show any document or other thing on the ground that the matter being investigated by the Commission is the same or substantially the same matter which is the subject of, or is likely to be the subject of an inquiry in any proceeding in any court or on the ground that the answer to such question or the production or showing of such document or other thing may directly or indirectly affect, or cause prejudice to such person in any other proceedings.

(5) Where a Commission determines that a person has committed any offence of contempt under subsection (2) or subsection (3) against or in disrespect of its authority, the Commission may cause the Director-General to transmit to the Supreme Court, a certificate setting out such determination, which certificate shall be signed by the Chairman of the Commission.

(6) In any proceeding for the punishment for an offence of contempt which the Supreme Court may think fit to take cognizance of as provided in this section, any document purporting to be a certificate signed and transmitted to the court under subsection (5) shall—

- (a) be received in evidence, and be deemed to be such a certificate without further proof unless the contrary is proved; and
- (b) be evidence that the determination set out in the certificate was made by the Commission and of the facts stated in the determination.

(7) In any proceedings taken as provided in this section for the punishment of any alleged offence of contempt against, or in disrespect of the authority of the Commission, notwithstanding anything to the contrary in this Act, no member of the Commission shall, except with such person's own consent, be summoned or examined as a witness.

False allegations

119. Every person who makes an allegation in any information or complaint made by him to the Commission under section 43 knowing such allegation to be false or having reason to believe that such allegation does not constitute an offence under this Act shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one million rupees or imprisonment for a term not exceeding three years or to both such fine and imprisonment and shall in addition, be liable to the payment to the person in respect of whom the allegation was made, of a sum of money as compensation as the court may think fit.

Contravening
Secrecy

120. Every person who acts in contravention of the duty imposed on him under subsections (1) and (2) of section 28 to maintain secrecy commits an offence and shall on

conviction after summary trial before a Magistrate be liable to a fine not exceeding one hundred thousand rupees or to imprisonment for a term not exceeding five years or to both such fine and imprisonment.

121. Any person who –

Resisting or obstructing duties of Director-General or other officer

- (a) refuses the Director-General or any officer appointed to assist the Commission to enter, search, or have access to any place;
- (b) assaults, obstructs, hinders or delays Director-General or any officer appointed to assist the Commission in effecting any entrance which the Director-General or such officer is entitled to effect under this Act, or in the execution of any duty imposed or power conferred on such officer by this Act;
- (c) fails to comply with any lawful demand of the Director-General or any officer appointed to assist the Commission in the execution of such person's duty under this Act;
- (d) refuses or neglects to give any information which may reasonably be required of such person and which such person has in such person's power to give; or
- (e) resists or obstructs an officer in the execution of such officer's duty under the provisions of this Act,

commits an offence and on conviction after summary trial before a Magistrate be liable to a fine not exceeding one million rupees or to imprisonment for a term not exceeding seven years or to both such fine and imprisonment.

False statements,
information, etc.

122. Any person who knowingly —

- (a) gives or causes to be given any false or misleading information relating to the commission of any offence under this Act or under any other law in relation to which an investigation discloses the commission of any offence by any person; or
- (b) gives or causes to be given to the Director- General or any other officer appointed to assist the Commission false or misleading information,

commits an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one million rupees or to imprisonment for a term not exceeding seven years or to both such fine and imprisonment.

Giving False
evidence

123. (1) The provisions of Chapter XI of the Penal Code (Chapter 19) shall apply in respect of any person who gives false evidence in any proceeding under this Act.

(2) Prior sanction of the Attorney-General, required to be obtained under section 135 of the Criminal Procedure Code, Act, No. 15 of 1979 shall not apply to any prosecution under this section.

Falsely pretend
one to be an
officer

124. Any person who falsely pretends that he is an officer or employee of the Commission or a person whose services are retained under section 27 or has any of the powers of such officer, employee or person under this Act or that he is able to influence such officer, employee or person to do or refrain from doing anything in connection with the duty of such officer, employee or person under this Act commits an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one million rupees or to imprisonment for a term not exceeding seven years or to both such fine and imprisonment.

125. (1) A person who directly or indirectly influences any member of the Commission, the Director-General, officer or employee of the Commission or a person whose services are retained under section 27 in the performance of such member's, the Director-General's or officer's or employee's or person's duty commits an offence and shall, upon conviction after summary trial before a Magistrate be liable to a fine of one hundred thousand rupees.

Obstructing
justice

(2) A person who directly or indirectly by words written or spoken or by any act threatens any member of the Commission, the Director-General or any officer or employee of the Commission or a person whose services are retained under section 27 with any injury to such member's, the Director-General's or any other officer's or employee's or person's body, mind or reputation in order to deter such member, Director-General, officer or employee or person from the performance of such member's, the Director-General's or any other officer's, employee's or the person's duty under this Act commits an offence and shall, upon conviction after summary trial before a Magistrate, be liable to a fine not exceeding one million rupees, and upon a second or subsequent conviction for an offence under this subsection shall, in addition to such fine, be liable to imprisonment for a term not exceeding seven years.

(3) A person who causes injury to the body, mind or reputation of a member of the Commission, the Director General, any other officer or employee of the Commission or a person whose services are retained under section 27 in order to deter such member, Director-General, any other officer or employee of the Commission or a person whose services are retained under section 27 from the performance of their duty under this Act shall, upon conviction after summary trial before a Magistrate, be liable to a fine of not less than five hundred thousand rupees and not more than one million rupees or to rigorous imprisonment for a term not exceeding seven years.

Refuses,
neglects, or
omits to carry
out an order of
the Commission

126. (1) A person who fails or neglects, without reasonable excuse, to comply with any lawful demand, notice, order, direction or request of the Commission, the Director-General or the officers thereof in the exercise of the powers and functions under this Act commits an offence and shall, upon conviction after summary trial before a Magistrate, be liable to a fine not exceeding one million rupees or to rigorous imprisonment for a term not exceeding seven years.

(2) A prosecution for an offence under subsection (1) may be instituted in such Magistrates' Court as may be determined by the Commission.

Miscellaneous
offences

127. (1) Any person who –

- (a) interferes with a person who is to be, or has been, examined by the Commission;
- (b) interferes with a person summoned in any proceedings instituted under this Act in or before a court of law;
- (c) induces a person to refrain from giving evidence in any proceedings under the Act, in any court;
- (d) threatens a person with injury to such person's body, mind or reputation in order to deter such person from giving evidence in any proceedings under the Act in any court;
- (e) injures a person in body, mind or reputation in order to deter such person from giving evidence in any proceedings under the Act in any court;
- (f) compels a person not to give evidence in any proceedings under the Act in any court;

- (g) without reasonable cause fails to appear before the Commission at the time and place mentioned in a request served under this Act;
- (h) without reasonable cause refuses to be sworn or affirmed or, having been duly sworn or affirmed, refuses or fails to answer any question put to such person regarding the matters being investigated by the Commission;
- (i) without reasonable cause refuses or fails to comply with the requirement of a notice or written order issued or made to such person by the Commission;
- (j) falsifies, conceals, destroys or otherwise disposes of or causes or permits the falsification, concealment, destruction or disposal of any document or material or thing which is or is likely to be relevant to the exercise, performance or discharge of any power, duty or function under this Act;
- (k) falsifies, conceals, destroys or otherwise disposes of or causes or permits 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;
- (l) destroys or otherwise disposes of any document or material which such person knows or has reason to believe is relevant to an investigation under the Prevention of Money Laundering Act, No. 5 of 2006 or the Convention for the Suppression of Financing of Terrorism Act, No. 25 of 2005;

- (m) divulges the fact that a report has been made or any information has been provided to the Commission in terms of any provision of this Act, or that an investigation into an offence is being, or is about to be made, or divulges any other information to another person whereby such investigation is likely to be prejudiced; or
- (n) conceals or retains proceeds or any part thereof of the results of the proceeds of an offence under this Act, whether or not he conceals or retains such proceeds directly or indirectly through intermediaries or conceals or retains for his own benefit or for the benefit of another person or an entity,

commits an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding one million rupees or to imprisonment for a term not exceeding seven years or to both such fine and imprisonment.

(2) The provisions of subsection (1) shall not apply to disclosures made to -

- (a) an officer or employee or agent of the person making a report under this Act for any purpose connected with the performance of that person's duties;
- (b) an attorney at law or legal advisor for the purpose of obtaining legal advice or representation in relation to any matter; or
- (c) the supervisory authority of the relevant institution, in so far as it is related to the discharge of the functions of the supervisory authority.

(3) No person referred to in paragraph (b) of subsection (2) to whom any disclosure of information has been made, shall disclose that information other than to a person referred to therein, in so far as it is necessary for -

- (a) the performance of the first-mentioned person's duties; or
- (b) obtaining legal advice or representation in relation to the matter.

(4) No person referred to in paragraph (c) of subsection (2) to whom the disclosure of any information has been made shall disclose that information except for the purpose referred to in that subsection, or for the purpose of obtaining legal advice or making representation in relation to a matter to the Financial Intelligence Unit established in terms of the Financial Transactions Reporting Act, No. 6 of 2006.

128. Any person who contravenes the provisions of section 145 of this Act commits an offence and shall, upon conviction after summary trial before a Magistrate, be liable to a fine not exceeding one million rupees or to rigorous imprisonment for a term not exceeding seven years.

Contravention of the legal obligation to give information

129. Any person who commits an offence referred to in section 41 for which no penalty is expressly provided for by this Act or other relevant law, shall upon conviction after summary trial before a Magistrate be liable to a fine not exceeding one hundred thousand rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.

General Offence

PART IV

GENERAL

- Director-General on the direction of the Commission to initiate proceedings in Magistrate's Courts
- 130.** A Magistrate's Court shall not entertain any prosecution for an offence under this Act except instituted by the Director- General on the direction of the Commission.
- Compensation
- 131.** (1) Notwithstanding anything to the contrary in any other provision of this Act, any person who is convicted of any offence under this Act may be ordered by the court to pay such sum of money as compensation to the Fund of the Commission or to any person affected by such offence.
- (2) The compensation payable under subsection (1) shall be recovered as a fine imposed by the court.
- (3) The Court may order that such sum of money payable as compensation under subsection (1), shall be paid within a stipulated period of time or in such instalments as may be specified by court.
- Cognizable offences
- 132.** All offences under this Act shall be cognizable offences for the purposes of the application of the provisions of the Code of Criminal Procedure Act, No. 15 of 1979.
- Abetment of the commission of an offence
- 133.** Whoever abets —
- (a) the commission of an offence under this Act; or

- (b) the commission outside Sri Lanka of any act, in relation to the affairs or business or on behalf of a principal residing in Sri Lanka, which if committed in Sri Lanka would be an offence under this Act,

commits an offence and shall be tried in the same manner and shall upon conviction be liable to the same punishment as is specified by this Act for the first mentioned offence.

In this section the expression “abet” shall have the same meaning as in sections 100 and 101 of the Penal Code (Chapter 19).

134. A person who attempts to commit or to cause the commission of an offence under this Act and in such attempt does any other act towards the commission of that offence commits an offence and shall be tried in the same manner and shall upon conviction be liable to the same punishment as is specified by this Act for the first mentioned offence. Attempts

135. Whoever is a party to a criminal conspiracy to commit an offence under this Act shall commit an offence under this Act and shall be tried in the same manner and shall upon conviction be liable to the same punishment as is specified by this Act for the first mentioned offence. Conspiracy

For the purpose of this section, “conspiracy” shall have the same meaning assigned to it under section 113A of the Penal Code (Chapter 19).

136. (1) Such of the provisions of the Code of Criminal Procedure Act, No. 15 of 1979 as are not excluded by this Act or are not inconsistent with the provisions of this Act shall generally apply to this Act. Applicability of the Code of Criminal Procedure Act and etc.

(2) The provisions of the Electronic Transactions Act, No. 19 of 2006 which are not expressly excluded by the provisions of this Act or are not inconsistent with the provisions of this Act shall apply to this Act.

(3) The offences specified in Schedule A and Schedule B to this Act where such offences have been committed in the same transaction together with an act which constitutes an offence in terms of this Act, shall have the same meaning assigned to such offences in those respective enactments and shall carry the same punishments as specified in those enactments:

Provided however, where the punishment for any offence specified in those respective enactments is less than a fine, not exceeding one million rupees or a term of imprisonment not exceeding seven years or both such fine and imprisonment, a fine not exceeding one million rupees or a term of imprisonment not exceeding seven years or both such fine and imprisonment shall apply to such offence.

(4) Notwithstanding anything to the contrary in the Penal Code (Chapter 19), for the purposes of this Act, the word “property” shall mean and include assets of every kind, whether corporeal or incorporeal, movable or immovable, tangible or intangible and legal documents or instruments evidencing title to or interest in such assets.

(5) The provisions of the Right to Information Act, No. 12 of 2016 shall apply to this Act.

Cases not
provided for in
any other law

137. As regards matters of procedure for which special provisions have not been made by this Act or by any other law for the time being in force, such procedure as the justice of the case may require and as is not inconsistent with the provisions of this Act may be followed.

- 138.** Section 306 of the Code of Criminal Procedure Act, No. 15 of 1979 shall not apply to proceedings in the Magistrate’s Court in respect of offences under this Act. Non application of section 306 of the Code of Criminal Procedure Act
- 139.** For the purposes of this Act, every reference under any of the other law referred to in this Act – Reference to an Assistant Superintendent of Police, etc.
- (a) to an Assistant Superintendent of Police shall be construed as a reference to an authorized officer specially authorized by the Commission; and
 - (b) to a police officer shall be construed as a reference to an authorized officer of the Commission.
- 140.** A person who attends any trial or inquiry of the Commission under this Act to give evidence may be paid out of the Fund the expenses of attending the trial or inquiry at such rates and subject to such conditions as are from time to time determined by the Commission. Expenses of persons attending any trial or inquiry
- 141.** In the interest of the national economy, to foster integrity, transparency and accountability in governance and to promote integrity in the affairs of the private sector, considering the gravity and impact on the State, the proceedings in a court for offences under this Act shall be taken before any other business of the court unless in the opinion of the court special circumstances of urgency in such other business prevents it. Proceedings for offences under this Act to be taken before any other business of the court
- 142.** Upon application made in that behalf by the Commission or any officer authorized by it, the whole or any part of the proceedings in any court for offences under this Act may be held *in camera*, subject to Article 106 of the Constitution. *In camera* proceedings

Giver of a gratification to be a competent witness

143. In any proceedings for offences under this Act before a court, the giver of a gratification shall be a competent witness against the person accused of taking the gratification and shall not be regarded as an accomplice, and the decision or finding of the court or Commission shall not be illegal merely because it proceeds upon the uncorroborated testimony of such giver.

Spouse to be a competent witness

144. Notwithstanding anything to the contrary in any other written law, in any proceedings against any person under this Act, the spouse of that person shall be a competent witness.

Legal obligation to give information

145. (1) Every person required by the Commission to give any information on any subject which it is the duty of the Commission to inquire into under this Act and which is in his power to give, shall be legally bound to give that information.

(2) A person shall comply with the provisions of subsection (1), notwithstanding any obligation as to secrecy or other restriction on the disclosure of information imposed by any written law, agreement, contract or otherwise.

Duty to comply with orders of the Commission

146. A person shall, comply with any lawful demand, notice, order, direction or request of the Commission, the Director-General or the officers thereof in the exercise of the powers and functions under this Act without any exception.

Statutory obligation not to utter falsehoods

147. (1) Every person required by the Commission to give a statement or other evidence on any subject which it is the duty of the Commission to inquire into under this Act and which is in his power to give, shall be legally bound not to utter falsehoods:

Provided however, it shall not be an obligation for a person accused of committing an offence under this Act to give self-incriminating or confessional statements or evidence and if so given such statements or evidence shall not be admissible in any investigation or proceeding under this Act.

(2) A person who contravenes the provisions of the preceding subsection shall be subject to the provisions of section 119 of this Act and be dealt with accordingly.

(3) Where in the course of a trial for an offence under this Act, any witness contradicts either expressly or by necessary implication the statement previously given by him in the course of any investigation conducted by the Commission under this Act, or the statement previously given by him in the course of any investigation conducted by a Commission of Inquiry appointed under the Commission of Inquiry Act (Chapter 393) or by a Commission appointed under the Special Presidential Commission of Inquiry Law, No. 7 of 1978 on any material point, it shall be lawful for the presiding Judge or Magistrate if he considers it safe and just in all the circumstances to act upon such statement where such statement is corroborated in material particulars by evidence from an independent source and to have such witness at the conclusion of such trial tried before such court upon a charge sheet, or if such court is the High Court, tried on an indictment filed by the Director-General, for intentionally giving false evidence in a stage of a judicial proceeding:

Provided however, that it shall not be necessary for the presiding Judge to discredit the witness *in toto*, before acting under this section.

(4) At any trial under subsection (3), it shall be sufficient to prove that the accused made statements contradictory to those alleged in the indictment or charge sheet and it shall not be necessary to prove which of such statements is false.

(5) The presiding Judge or Magistrate may, if he considers it expedient, adjourn the trial of any accused under subsection (3) for such period as he may think fit and in any such case the accused shall be remanded until the conclusion of such trial:

Provided that, the Court of Appeal may in exceptional circumstances release such person on bail pending the conclusion of the trial.

(6) Notwithstanding anything to the contrary in any written law –

- (a) an affidavit or sworn statement; or
- (b) any book, document, cheque, record or register or a certified copy thereof or of any entry in any such book, document, record or register produced, delivered or furnished to the Commission in the course of an investigation conducted by it under this Act,

shall be relevant and admissible at the trial of any person for an offence under this Act and shall be *prima facie* proof of the fact of its execution and the contents therein.

Officers always
on duty

148. Every officer of the Commission shall, for the purposes of this Act, be deemed to be always on duty when required to perform his duties or functions and may perform the duties or functions and exercise the powers conferred on him under this Act or under any other written law at any place within or outside Sri Lanka.

Bail

149. (1) All offences under this Act shall be cognizable and non-bailable and where any person suspected or accused of, being concerned in committing or having committed an offence under this Act, appears, is brought before or produces or surrenders before a Magistrate shall grant bail as per the provisions of the Bail Act, No. 30 of 1997:

Provided that any person detected of having committed an offence under this Act consisting of soliciting, accepting or offering a gratification is brought before or produced or surrenders before any Magistrate with a certificate of the Director-General confirming such detection, the Magistrate shall remand such person until the conclusion of the trial:

Provided however, that the Magistrate may, in exceptional circumstances and for reasons to be recorded release such person on bail at any time prior to the conclusion of the trial.

(2) Notwithstanding the provisions of subsection (1), in any proceeding under such subsection, where the Commission informs the Magistrate that it does not intend to institute proceedings against the person in custody, such person shall be discharged forthwith.

150. (1) When determining the term of imprisonment to be imposed on a person convicted of having committed an offence under this Act, the following factors shall be taken into account as aggravating factors which warrant the imposing of an enhanced term of imprisonment, subject to the provisions of this Act: -

Sentencing
guidelines

- (a) whether the commission of the offence has had an adverse impact on the community;
- (b) whether any financial and material loss caused to the Government of Sri Lanka and to the general public;
- (c) whether any financial and other resources are required for the reparation and restoration of the damages caused; and
- (d) whether the commission of the offence has adversely affected the country.

(2) When determining the term of imprisonment to be imposed on a person convicted of having committed an offence under this Act, the following factors shall be taken into account as mitigating factors which warrant a reduced term of imprisonment subject to the provisions of this Act: -

- (a) expression of remorse;
- (b) time period spent in detention or remand;

- (c) coercion or duress under which the offence had been committed;
- (d) voluntarily providing of reparation by the accused to the victims of the offence; or
- (e) public denouncement of the offences in respect of which the accused was convicted of guilty.

Civil liability for contravention of certain sections

151. (1) Nothing in this Act shall be construed as affecting the rights of a person who suffers loss or damage by reason of or by relying on the conduct of another person who has contravened the provisions of this Act to recover the amount of loss or damage suffered by, instituting civil proceedings against the other person whether or not the other person has been charged with an offence in respect of the contravention or whether or not a contravention has been proved in a prosecution.

(2) Nothing in subsection (1) shall be construed as affecting the liability under any other law in respect of the conduct constituting the contravention.

Exemptions

152. (1) The Commission shall be exempt from payment of any duty, levy, rate, charge, fee or tax.

(2) No registration fee shall be payable in respect of any document signed or executed by the Commission under which the Commission is a beneficiary.

(3) The court shall issue proceedings and certified copies of journal entries to the Commission free of charge.

Jurisdiction

153. (1) The provisions of this Act shall apply to-

- (a) any citizen of Sri Lanka, who commits an offence under this Act within or outside Sri Lanka;
- (b) any person who commits an offence under this Act –

- (i) wholly or partly, in Sri Lanka;
 - (ii) in or over territorial waters of Sri Lanka;
 - (iii) in the airspace of Sri Lanka;
 - (iv) on-board or in respect of an aircraft or vessel registered in Sri Lanka or belonging to or used by the Government of Sri Lanka;
 - (v) wholly or partly within the office premises of a diplomatic mission of Sri Lanka, or a Consular Post or office of Sri Lanka, or at the residence of the Head of such diplomatic mission or consular post or at the residence of any diplomatic or consular officer or any other employee of such mission or post subject to the provisions of the Diplomatic Privileges Act, No. 9 of 1996; or
 - (vi) wholly or partly within the office premises situated outside Sri Lanka of a statutory board of the Government of Sri Lanka or within the residence of an employee of such statutory board; or
- (c) any person, who commits an offence under this Act, within or outside Sri Lanka in respect of –
- (i) a citizen of Sri Lanka; or
 - (ii) an asset owned by the Government of Sri Lanka.

(2) A citizen of Sri Lanka shall be liable to punishment under this Act and not otherwise, for every offence thereof, committed outside Sri Lanka of which he shall be guilty, whether or not such citizen enjoys diplomatic immunity in respect of such act or omission, which is granted by a foreign State by reason of his diplomatic status in such State.

(3) Nothing in this section shall be construed, as affecting the liability of any of Sri Lankan citizen under the laws of the country in which such act was done or omitted to be done in respect of such act or omission.

Extradition

154. (1) The Extradition Law No. 8 of 1977 is hereby amended in Schedule to that Law, by the addition immediately after item of the items appearing immediately before Part B of that Schedule, of the following item: —

“() An offence covered by the Anti-Corruption Act, No 9 of 2023;”.

(2) Where there is an extradition arrangement made by the Government of Sri Lanka with any State in force on the date on which this Act comes into operation, such arrangement shall be deemed, for the purposes of the Extradition Law, No. 8 of 1977, to include provision for extradition in respect of the offences under this Act.

(3) Where there is no extradition arrangement made by the Government of Sri Lanka with any State, the Commission may, by Order published in the Gazette, treat the United Nations Convention Against Corruption (UNCAC), for the purposes of the Extradition Law, No. 8 of 1977, as an extradition arrangement made by the Government of Sri Lanka with that State, providing for extradition in respect of the offences specified in this Act.

(4) Where a request is made to the Government of Sri Lanka by or on behalf of the Government of another State for the extradition of any person accused or convicted of an offence under this Act, the Commission shall, on behalf of the Government of Sri Lanka, forthwith notify the Government of the requesting State, of the measures the Government of Sri Lanka has taken, or proposes to take, for the prosecution or extradition of that person for that offence.

155. The provisions of the Mutual Assistance in Criminal Matters Act, No. 25 of 2002 shall, wherever it is necessary for the investigation and prosecution of an offence under this Act, and for any of the objectives under the said Act *mutatis mutandis* be applicable in respect of the provision of assistance between the Government of Sri Lanka and other States designated under the aforesaid Act.

Mutual Legal Assistance

156. (1) The Minister may make regulations in consultation with the Commission in respect of matters required by this Act to be prescribed or in respect of which regulations are authorized to be made.

Regulations

(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, within three months of 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.

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

157. (1) The Commission may make rules in respect of all or any matter for which rules are authorized or required by this Act to be made.

Power of the Commission to make rules

(2) Every rule made under subsection (1) shall come into force upon publication in the *Gazette*.

158. (1) The financial year of the Commission shall be the period of twelve months commencing on the first day of January each year.

Financial year

(2) The Commission shall cause proper books of accounts to be kept of the income and expenditure, assets and liabilities and all other transactions of the Commission.

(3) The provision of Article 154 of the Constitution relating to the audit of accounts of Commissions referred to in the Schedule to Article 41B shall apply to the audit of the accounts of the Commission.

Reports

159. (1) The Commission shall prepare reports of its activities as often as it may consider necessary, and shall prepare at least one report in each calendar year.

(2) The Commission shall prepare quarterly in each calendar year, its performance evaluation reports.

(3) The Commission shall cause every report so prepared to be sent to the President who shall cause the same to be placed before Parliament.

(4) The reports of the Commission placed before Parliament shall be made available to the public through the official website of the Commission with due regard to privacy and personal data.

Application of Article 140 of the Constitution

160. (1) The jurisdiction vested in the Court of Appeal by Article 140 of the Constitution shall, in respect of applications in which relief is sought against the Commission be exercised by the Supreme Court and not by the Court of Appeal.

(2) Subject to the provisions of subsection (1), no injunction or enjoining order shall be granted by any court restraining or staying, or having the effect of restraining or staying, the Commission, from commencing or continuing, the conduct of an investigation under this Act or from exercising any of the powers conferred on it by this Act or from giving any direction under this Act.

Provisions of this Act to prevail over other law

161. Where the provisions of this Act are in conflict or are inconsistent with any other written law, the provisions of this Act shall prevail.

Interpretation

162. (1) For the purpose of this Act,—

- (a) property which is held by or in the name of a person in trust for or for the benefit of any other person shall be deemed to be indirectly owned by such other person; and
- (b) every reference in this Act to the Government shall be construed in a manner that does not cause interference with the judiciary and shall be subject to Article 111C of the Constitution.”;

(2) In this Act, unless the context otherwise requires –

“adverse conditions of employment” shall include harassment by co-workers. It is treated as done by the employer. It is immaterial whether such act is done with the knowledge or approval of the employer;

“associated offences” means offences referred to in section 41 of this Act other than any offence specified in this Act;

“bribery” means the offer, solicitation or acceptance of any gratification in contravention of any provision of Part III of this Act;

“child” includes a step-child or a child who has been adopted under the Adoption of Children Ordinance (Chapter 61);

“Commissioner of Local Government” includes any Deputy Commissioner of Local Government and any Assistant Commissioner of Local Government;

“complaint” shall mean any written or oral communication with statement received through electronic means or otherwise to the Commission in relation to the commission of an offence under this Act in which the communicator divulges his

identity. This does not include any material which comes to the attention of the Commission through the channels stipulated in paragraph (a), (c), or (d) of subsection (1) of section 42;

“documents” include information recorded in any form and, in relation to information recorded otherwise than in legible form, references to its production including references to producing a copy of the information in legible form;

“electronic communication” means any communication made by means of data message generated, sent, received or stored by electronic, magnetic, optical or other similar means;

“executive” when used with reference to a trade union has the same meaning as in the Trade Unions Ordinance (Chapter 138);

“foreign public official” means an individual who -

- (a) holds a legislative, administrative or judicial position of any kind, whether appointed or elected, of a country or territory outside Sri Lanka (or any subdivision of such a country or territory);
- (b) exercises a public function –
 - (i) for or on behalf of a country or territory outside Sri Lanka or any subdivision of such a country or territory, or
 - (ii) for any public agency or public enterprise of that country or territory or subdivision, or
- (c) is an official or agent of a public international organisation;

“Government” includes the Legislature, Executive and the Judiciary;

“gratification” includes -

- (a) money or any gift, loan, fee, reward, commission, valuable security or other property or interest in property of any description, whether movable, intangible and unreal or immovable;

For the purposes of this paragraph, “money” includes currency which is in digital or virtual form recognized as legal tender, whether or not such currency is recognized in Sri Lanka.

- (b) any office, employment or contract;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability whatsoever whether in whole or in part;
- (d) sexual favour;
- (e) any other service, favour or advantage of any description whatsoever including protection from any penalty or disability incurred or apprehended from any action or proceedings of a disciplinary or penal nature, whether or not already instituted, including the exercise, or the forbearance from the exercise of any right or any official power or duty; and
- (f) any offer, undertaking or promise of any gratification within the meaning of the preceding paragraphs (a), (b), (c), (d) or (e);

“high risk categories” means categories that are prescribed by regulations as such;

‘information’ for the purposes of section 42 and 43 means anything except a complaint and material received under the provisions of paragraphs (c) and (d) of subsection (1) of section 42 and in all other circumstances ‘information’ shall carry its generic meaning;

“informer” includes a whistleblower;

“judicial officer” shall have the same meaning assigned to such expression in the Constitution;

“listed Company” shall have the same meaning assigned to such expression in the Companies Act, No.07 of 2007;

“local authority” means a Municipal Council, Urban Council or Pradeshiya Sabha and includes any authority created or established by or under any law to exercise, perform and discharge, powers, duties and functions, corresponding to, or similar to the powers, duties and functions exercised, performed and discharged by any such Council or Sabha;

“local or foreign expert” includes any expert specified in section 45 of the Evidence Ordinance (Chapter 14);

“Minister” means the Minister assigned the subject of Justice under Article 44 or 45 of the Constitution;

“non-intimate sample” means—

- (a) a sample of head hair;
- (b) a sample taken from a nail or from under a nail;
- (c) a swab taken from any part, other than a private part, of a person’s body or from the mouth but not any other body orifice;
- (d) saliva; or
- (e) an impression of any part of a person’s body other than—

- (i) an impression of a private part;
- (ii) an impression of the face; or
- (iii) the identifying particulars;

“private part” in relation to a person’s body, means the genital or anal area and includes the breasts in the case of a woman;

“identifying particulars” include photographs, fingerprints, palm-prints, sole-prints, toe-prints and the weight and height measurements of a person;

“office-bearers” in relation to a recognized political party means the President, Vice-President, Secretary or a member of the Executive committee of such recognized political party and any other person who is duly empowered to give directions in regard to such political party, and includes the leader of such political party, howsoever designated, whether as Patron, President, Advisor or otherwise;

“person” includes both natural and legal persons;

“person assisting the Commission” for the purposes of this Act means any person who assists the Commission in any manner;

“prescribed” means prescribed by regulations;

“private sector entity” means a specified business enterprise as defined in section 5 of the Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995;

“Provincial Council” means a Provincial Council established by Chapter XVIIIA of the Constitution;

“public authority” includes a Government Ministry, Government Department, Provincial Council, local authority or public corporation;

“public corporation” means any corporation, board or other body which was or is established by or under any written law other than the Companies Act, No. 07 of 2007 with capital partly or wholly provided by the Government by way of grant, loan or other form, and includes all scheduled institutions under this Act;

“public international organisation” means an organisation whose members are —

- (a) countries or territories outside Sri Lanka;
- (b) governments of countries or territories outside Sri Lanka; and
- (c) a mixture of any of the above;

“public officer” shall have the same meaning assigned to such expression in the Constitution;

“public official” include the President, the Prime Minister, a Minister of the Cabinet of Ministers, a Minister appointed under Article 45 of the Constitution, Speaker, Deputy Speaker, Chairman of a Committee, Deputy Chairman of a Committee, a Deputy Minister, the Governor of a Province, a Minister of the Board of Ministers of a Provincial Council, a Member of Parliament, a Judge of the Supreme Court, a Judge of the Court of Appeal, Judge of the High Court or a Judge, presiding officer, or member of any other Court of first Instance, tribunal or institution created and established for the administration of Justice or for the adjudication of any labour or

other dispute, every officer, official or employee of the State or any Chairman, member, officer, official or employee of any Independent Commission established by the Constitution, or any other diplomatic agent appointed by the Constitution, or any Chairman, member, officer, official or employee of any Commission appointed under any other law; or any Chairman, director, Governor, member, officer, official or employee, whether in receipt of remuneration or not, of a Provincial Council, local authority or of a scheduled institution, or of a company incorporated under the Companies Act, No. 07 of 2007, in which over twenty five *per centum* of the shares are held by the Government, a member of a Provincial Public Service, every juror, every licensed surveyor and every arbitrator or other person to whom any cause or matter has been referred for decision or report by any court or any other competent public authority:

Provided that, where any local authority has been dissolved and the administration of the affairs of that authority has been vested in any person, every employee of that local authority immediately before its dissolution who continues in employment after such dissolution, shall be deemed for the purpose of this Act, to be a public official;

“Registrar General of Lands” means the Registrar General of Lands appointed under section 2 of the Registration of Documents Ordinance (Chapter 117);

“Registrar General of Title” means the Registrar General of Title appointed under section 3 of the Registration of Title Act, No. 21 of 1998;

“scheduled institution” means any public authority or public corporation and includes any private sector entity or any body-

- (a) in which any such public authority or public corporation; or
- (b) in which more than one such public authority or public corporation,

in the aggregate, holds, not less than twenty five percent of the shares;

“sexual favour” means -

- (a) sexual intercourse; or
- (b) any act that may not amount to sexual intercourse, but may amount to or constitute physical, verbal or non-verbal conduct of a sexual nature, including the exposure of a private body part or any act performed by the use of information and communication technology or any other means.

“sporting event” means any event or contest in any sport between individuals or teams or in which an animal competes and which is usually attended by the public and is governed by rules which include the constitution, rules or code of conduct of any sporting body which stages any sporting event or of any regulatory body under whose constitution, rules or code of conduct the sporting event is conducted;

“staff officer” means any employee of the Government or a Provincial Council or a local authority or any employee of a public corporation as may be specified by rules made under section 157;

“victim” means a person who has suffered any injury, harm whether physical or mental, emotional, economic or other loss as a result of an act or omission which constitute an offence under this Act;

“whistleblower” shall include persons assisting such whistleblower, persons providing supporting information to such whistleblower, a family member or dependant of such whistleblower or any other person of significant importance to such whistleblower;

“witness” for purposes of section 75 means any person who—

- (a) has provided information or lodged a complaint with any law enforcement officer and based upon such information or complaint, an investigation or inquiry could or has commenced or is likely to commence, in connection with the alleged commission of an offence under this Act;
- (b) in the course of an investigation or inquiry conducted by the Commission or a law enforcement authority into the alleged commission of an offence under this Act, has provided information or made a statement containing an account of matters in respect to which such person had been questioned;
- (c) has provided an affidavit or submitted a statement in support of a complaint made or any legal action instituted by the Commission;
- (d) has provided information or any communication to the Commission;
- (e) has reasonable grounds to believe that he shall be summoned by a court or the Commission to make a statement or testify in any judicial or quasi-judicial

proceedings against a person, based on information provided or a statement made to a law enforcement authority or the Commission by such person;

- (f) has received summons from a court or the Commission to make a statement, testify or produce any document, report or object in any judicial or quasi-judicial proceeding before such court or the Commission; or
- (g) being a public officer, has investigated into the alleged commission of an offence or an alleged infringement of a fundamental right or the violation of a human right,

and includes a victim of a crime, a child witness, the parent or guardian of a child witness, a family member or a dependant of such witness or any other person of significant importance to such person, an expert witness, a person who has been summoned to testify before a court or the Commission on behalf of a person suspected or accused of the alleged commission of an offence under this Act; and

“written” shall include electronically generated documents.

PART V

TRANSITIONAL PROVISIONS AND SAVINGS

Repeals, savings and transitional provisions

- 163.** (1) (a) The Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994;
- (b) Declaration of Assets and Liabilities Law, No. 1 of 1975; and
- (c) The Bribery Act (Chapter 26),

are hereby repealed (hereinafter referred to as the “repealed Acts”).

(2) Notwithstanding the repeal of the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994-

- (a) the Commission established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 and functioning as such on the date of commencement of this Act shall be deemed to be the Commission for the purposes of this Act until a new Commission is established under Part I of this Act, and the members holding office immediately prior to the date of commencement of this Act shall be deemed to have been appointed as such under this Act and continue to hold office until new members are appointed;
- (b) all regulations and rules made under the repealed Acts and are in force on the day immediately prior to the date of commencement of this Act and not inconsistent with the provisions of this Act shall be deemed to be regulations and rules made under this Act and shall continue to be valid;
- (c) all contracts, agreements and other instruments made under the repealed Acts and subsisting on the day immediately prior to the date of commencement of this Act, shall be deemed to be contracts, agreements and other instruments made by the Commission under this Act;
- (d) all suits, actions, and other legal proceedings instituted or inquiries or investigations commenced by or against the Commission to Investigate Allegations of Bribery or Corruption established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 and pending on the day, immediately prior to the date of commencement of this Act, shall be deemed to be suits, actions and other legal proceedings instituted

or inquiries or investigations commenced by or against the Commission under this Act and may be continued after the appointed date as if they were suits, actions and other legal proceedings instituted or inquiries or investigations commenced and continued under this Act;

- (e) all movable and immovable property vested in the Commission to Investigate Allegations of Bribery or Corruption established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 and existing on the day immediately preceding the date of commencement of this Act, shall, with effect from the date of commencement of this Act, be vested with the Commission;
- (f) all contraventions or proceedings initiated under the provisions of the repealed Acts, regulations or rules made thereunder prior to the commencement of this Act, shall be offences committed or proceedings initiated under the repealed Acts and be tried accordingly;
- (g) all interests, rights, assets, obligations, debts and liabilities of the Commission to Investigate Allegations of Bribery or Corruption established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 prior to the date of commencement of this Act, shall be deemed with effect from the date of commencement of this Act to be the interests, rights, assets, obligations, debts and liabilities of the Commission; and
- (h) all officers and officials of the Commission to Investigate Allegations of Bribery or Corruption established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 holding office prior to the date of commencement of this Act, shall be deemed with effect from the date of commencement of this Act to be the officers and officials of the Commission established under this Act, on terms not less

favourable than the terms and conditions of employment to which they were entitled under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994, and shall communicate to the Commission, within three months of the establishment of the Commission, whether they opt to join the service of the Commission:

provided that,

- (i) every officer and official who opts to join the service of the Commission shall, for purposes of calculating pension and other retirement benefits only, be deemed to have continued in office as a public officer in the Commission to Investigate Allegations of Bribery or Corruption established under the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 from the date on which he was employed by that Commission until the end of his period of service in the Commission established under this Act and shall, if his period of service in the Commission when added to his previous period of services as a public officer amounts to twenty years or more, be eligible, at the end of his period of service in the Commission, for the grant of pension and retirement benefits which may be applicable to such officers and officials under the provisions of any other written law including the Minutes on Pensions;
- (ii) every officer and official who opts for voluntary resignation from the service of the Commission, shall be entitled to such compensation as shall be paid in terms of a Voluntary Retrenchment Scheme as shall be prescribed by the Minister and be entitled to pension and other retirement benefits which may be applicable to such officers and officials under the provisions of any written law including the Minutes on Pensions,

(3) All investigations under the repealed Acts commenced by the Commission under the Commission to Investigate Allegations of Bribery or Corruption Act, No.19 of 1994, and pending on the day preceding the appointed date shall be deemed to be investigations commenced by the Commission under this Act, and all such investigations may be continued after the appointed date, as if they were investigations commenced and continued on the direction of the Commission, and all statements and documents furnished to the Commission in the course of investigations or certified copies thereof shall be admissible in proceedings instituted under the Commission to Investigate Allegations of Bribery or Corruption Act, No.19 of 1994, as if such investigations were conducted and the proceedings were instituted under this Act.

(4) Notwithstanding the repeal of the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994, the Bribery Act (Chapter 26) and the Declaration of Assets and Liabilities Law No.1 of 1975 –

- (a) every reference to the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 in any other written law shall be construed as a reference to this Act;
- (b) every reference to the Bribery Act (Chapter 26) in any other written law shall be construed as referring to the corresponding provisions contained in this Act; and
- (c) every reference to the Declaration of Assets and Liabilities Law, No. 1 of 1975 in any other written law shall be construed as a reference to this Act.

Sinhala text to prevail in case of inconsistency

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

SCHEDULE A

[Section 41]

1. Sections 372 and 378 of the Penal Code (Chapter 19) - extortion

2. Section 386 of the Penal Code (Chapter 19) - dishonest misappropriation of property
3. Section 388 of the Penal Code (Chapter 19) - criminal breach of trust
4. Section 389 of the Penal Code (Chapter 19) - punishment for criminal breach of trust
5. Section 390 of the Penal Code (Chapter 19) - criminal breach of trust by a carrier, &c.
6. Section 391 of the Penal Code (Chapter 19) - criminal breach of trust by a clerk or servant
7. Section 392 of the Penal Code (Chapter 19) - criminal breach of trust by a public servant or by bankers, merchant or agent
8. Section 392A of the Penal Code (Chapter 19) - criminal breach of trust by a public servant in respect of money or balance of money
9. Sections 398 to 403 of the Penal Code (Chapter 19) - cheating
10. Section 406 of the Penal Code (Chapter 19) - dishonest or fraudulent execution of a deed of transfer containing a false statement of consideration
11. Section 452 of the Penal Code (Chapter 19) - forgery
12. Section 453 of the Penal Code (Chapter 19) - making a false document
13. Section 454 of the Penal Code (Chapter 19) - punishment for forgery
14. Section 455 of the Penal Code (Chapter 19) - forgery of a record of a court of justice or of a public register or births, &c.

- 15. Section 457 of the Penal Code (Chapter 19) - forgery for the purpose of cheating
- 16. Section 458 of the Penal Code (Chapter 19) - a forged document
- 17. Section 459 of the Penal Code (Chapter 19) - using as genuine a forged document
- 18. Section 462 of the Penal Code (Chapter 19) - having possession of a forged record or valuable security or will known to be forged, with intent to use it as genuine; and
- 19. Section 467 of the Penal Code (Chapter 19) - falsification of accounts

SCHEDULE B

[Section 41]

1. any offence under Chapter XI of the Penal Code (Chapter 19);
2. any offence under the Offences Against Public Property Act, No. 12 of 1982; and
3. any offence under the Computer Crime Act, No. 24 of 2007.

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

**ASSISTANCE TO AND PROTECTION OF VICTIMS OF
CRIME AND WITNESSES ACT, No. 10 OF 2023**

[Certified on 08th of August, 2023]

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*Assistance to and Protection of Victims of
Crime and Witnesses Act, No. 10 of 2023*

[Certified on 08th of August, 2023]

L.D.-O. 38/2019

AN ACT TO PROVIDE FOR THE SETTING OUT OF RIGHTS AND ENTITLEMENTS OF VICTIMS OF CRIME AND WITNESSES AND THE PROTECTION AND PROMOTION OF SUCH RIGHTS AND ENTITLEMENTS; TO GIVE EFFECT TO APPROPRIATE INTERNATIONAL NORMS, STANDARDS AND BEST PRACTICES RELATING TO THE ASSISTANCE TO AND PROTECTION OF VICTIMS OF CRIME AND WITNESSES; TO PROVIDE FOR THE ESTABLISHMENT OF THE NATIONAL AUTHORITY FOR THE PROTECTION OF VICTIMS OF CRIME AND WITNESSES, THE VICTIMS OF CRIME AND WITNESSES ASSISTANCE AND PROTECTION DIVISION AND THE VICTIMS OF CRIME AND WITNESSES ASSISTANCE AND PROTECTION FUND; TO PROVIDE FOR THE PAYMENT OF COMPENSATION TO VICTIMS OF CRIME; TO REPEAL THE ASSISTANCE TO AND PROTECTION OF VICTIMS OF CRIME AND WITNESSES ACT, No. 4 OF 2015; 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. (1) This Act may be cited as the Assistance to and Protection of Victims of Crime and Witnesses Act, No. 10 of 2023.

Short title and
date of
operation

(2) The provisions of this Act, other than this section, shall come into operation on such date as the Minister may by Order published in the *Gazette* appoint (in this Act referred to as the “appointed date”).

(3) The provisions of this section shall come into operation on the date on which the Certificate of the Speaker is endorsed on the Bill.

PART I

OBJECTS OF THE ACT

2. The objects of this Act shall be-

Objects of the
Act

(a) to set out the rights and entitlements of victims of crime and witnesses;

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Crime and Witnesses Act, No. 10 of 2023*

- (b) to set out duties and responsibilities of the State, judicial officers and public officers in upholding, promoting and protecting the rights and entitlements of victims of crime and witnesses;
- (c) to stipulate conduct that constitute offences against victims of crime and witnesses;
- (d) to provide assistance and protection to victims of crime and witnesses;
- (e) to provide for a mechanism to enable the victims of crime and witnesses to exercise and enforce their rights and entitlements and to obtain relief;
- (f) to provide for the granting of redress including compensation, restitution, reparation and rehabilitation to victims of crime and witnesses;
- (g) to establish a National Authority for the Protection of Victims of Crime and Witnesses and a Victims of Crime and Witnesses Assistance and Protection Division;
- (h) to make provision for the victims of crime and witnesses to testify through contemporaneous audio-visual means; and
- (i) to recognize and implement internationally recognized best practices relating to assistance to and protection of victims of crime and witnesses.

PART II

RIGHTS AND ENTITLEMENTS OF VICTIMS OF CRIME AND WITNESSES

Right of a victim
of crime to a fair
treatment

3. (1) A victim of crime shall have the right-

- (a) to be treated with equality and with fairness and respect to the dignity and privacy of such victim of crime;

- (b) to receive prompt, adequate and fair redress including reparation and restitution which is commensurate with any injury, damage or loss suffered as a victim of crime;
- (c) to be protected from any injury or potential injury, including threats, intimidation, reprisal or retaliation;
- (d) to be treated for any physical, psychological, emotional or mental harm, including impairment or disability, suffered as a victim of crime;
- (e) where such victim of crime is a child, to be treated in a manner that ensures the best interest of such child;
- (f) where such victim of crime is a female who has to be medically examined, to make a request to be so examined, by a female medical professional; and
- (g) where the offence is of sexual nature, to specify the gender of the officer who is to carry out the investigation or inquiry into the offence.

(2) Whenever a victim of crime, in exercising the right under paragraph (f) or paragraph (g) of subsection (1), makes a request to be examined by a female medical professional or specifies the gender of the officer who is to carry out the investigation or inquiry, as the case may be, it shall be the duty of the State to make all endeavors to ensure that such medical examination or investigation or inquiry is carried out by a medical professional or investigation or inquiring officer, as the case may be, of the gender requested or specified by the victim of crime.

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Right of a victim
of crime to
receive
information on
assistance,
protection and
remedies
available to him

4. A victim of crime shall have the right, upon a request made by such victim of crime, to be informed-

(a) by the Authority or the Protection Division or any law enforcement authority-

(i) of the measures of protection available to such victim of crime under this Act;

(ii) of the legal remedies including delictual remedies available for the redress of any injury which such victim of crime has suffered; and

(iii) of the time periods within which legal action shall be instituted to obtain legal remedies; and

(b) by the Authority or the Protection Division, of the medical services, social services and other assistance available for the treatment of any harm caused to such victim of crime and the availability of any facilities to assist such victim of crime.

Right of a victim
of crime in
relation to
complaints,
inquiries,
investigations,
&c

5. (1) A victim of crime shall have the right-

(a) to make a complaint or to cause a complaint to be made in relation to any conduct constituting an offence under this Act in the manner provided for in this Act and to have such complaint recorded and investigated according to law;

(b) without prejudice to any ongoing investigation or inquiry, to make representations to the investigation authority or inquiring authority in person or through an attorney-at-law and receive a response within a reasonable period of time;

- (c) without prejudice to the prosecution and in accordance with the provisions of this Act, to be represented by an attorney-at-law at any stage of any proceedings before a court or Commission;
- (d) to make a request, if necessary, for legal aid to be provided by the State;
- (e) upon conviction of the offender and prior to the determination of the sentence, to submit to the court or Commission a victim impact statement in accordance with section 8, either personally or through an attorney-at-law;
- (f) in the event of any person in authority considering the grant of a pardon or remission of sentence imposed on any person convicted of an offence, to receive notice thereof and submit through the Authority to the person granting such pardon or remission, the manner in which the offence committed has impacted on such victim of crime physically, emotionally, psychologically, financially, professionally or in any other manner;
- (g) at any stage of the investigation, inquiry or proceeding, to make representations to the Attorney-General, through an attorney-at-law or in writing by such victim of crime or any person authorised by such victim of crime, as regards the manner in which the offence has impacted on him;
- (h) to receive from the Authority any relevant information and assistance that facilitates the attendance and participation at any proceedings before a court or Commission relating to the offence alleged to have been committed; and

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- (i) to be present at any civil or criminal judicial or quasi-judicial proceedings relating to an offence, including at the non-summary inquiries, trials, appeals and any applications in revision, unless the court, Commission or other tribunal determines, for reasons to be recorded, that future evidence of such victim of crime would be materially affected if he hears other evidence at such proceedings or, the due discharge of justice could be secured only by the exclusion of such victim of crime from being present during the hearing of certain parts of such proceedings.

(2) A victim of crime shall have the right, upon a request made by such victim of crime, to be informed-

- (a) by the officer-in-charge of the relevant police station or other authority conducting the investigation or inquiry into the alleged offence, of the progress of the investigation or inquiry:

Provided however, the release of such information may be withheld for justifiable reasons;

- (b) by the officer-in-charge of the relevant police station, other authority conducting the investigation or inquiry into the alleged offence, the Attorney-General or the Registrar of the relevant court, as the case may be, of the dates fixed for the hearing of the case or the progress or disposal of judicial proceedings relating to the alleged offence and the rights and entitlements of the victim of crime pertaining to such judicial proceedings;
- (c) by the officer-in-charge of the relevant police station, other authority conducting an investigation or inquiry into the alleged offence, the Attorney-General, the Registrar of the relevant court or the Superintendent of Prisons, as the case may be, of the date on which the proceedings in relation to any of the following is scheduled next: –

- (i) release on bail or discharge of the suspect;
- (ii) institution of criminal proceedings against the accused;
- (iii) the conviction, acquittal, discharge or sentence of the suspect or the accused, as the case may be; or
- (iv) the release from prison of the suspect or convicted person.

(3) (a) A victim of crime may make a request to the Registrar of court in the prescribed form accompanied by the prescribed fee to obtain a copy of the order of court relating to the release on bail or otherwise of the suspect or the accused.

(b) Upon receipt of a request under paragraph (a), the Registrar of court shall proceed with such request in an expeditious manner.

(4) In the event the person in authority considering the grant of a pardon or remission of sentence referred to in paragraph (f) of subsection (1) is the President, the duty of informing the Authority of such fact for the purpose of giving notice thereof to the victim of crime shall be on the Secretary to the President, and in the event such person in authority is the Governor of a Province, such duty shall be on the Secretary to the Governor of such Province.

6. (1) A victim of crime or other person on behalf a victim of crime shall have the right to make an application in the prescribed form and on payment of the prescribed fee to any court or Commission to obtain certified copies of-

Right of a victim of crime to obtain copies of certain documents

- (a) the cause of death form;
- (b) the postmortem report;

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- (c) the medico-legal report;
- (d) the report of the Registrar of Finger Prints;
- (e) the report of the Government Analyst; or
- (f) any other report that may be useful to such victim of crime,

that may have been filed in such court or Commission in relation to the investigation, inquiry or trial of the offence alleged to have been committed.

(2) Where an application is made to obtain any report referred to in paragraph (d), (e) or (f) of subsection (1), a notice thereof shall also be given to the Attorney-General.

(3) Where any court or Commission receives an application under subsection (1), such court or Commission-

- (a) shall issue such form or report, if the victim of crime proves to the satisfaction of such court or Commission of the necessity of such form or report;
- (b) shall not issue such form or report, if, in its opinion, the issuance of the same may cause prejudice to any ongoing investigation, inquiry, trial or proceeding.

(4) The onus of proving the necessity to obtain any form or report specified in subsection (1) shall be on the person who makes such application.

Entitlements of a
victim of crime
to receive
financial
assistance

7. (1) A victim of crime shall be entitled to request and receive reasonable financial assistance from the Authority according to the availability of such assistance, in consideration of the expenses incurred as a result of-

- (a) the offence alleged to have been committed; and
- (b) his participation in any proceedings before a court or Commission in relation to such offence.

(2) A victim of crime shall be entitled to request and receive from the State any medical treatment including appropriate medical services, medicines and other medical facilities, or psychological or social assistance in respect of any harm suffered by him as a result of being a victim of crime.

(3) A victim of crime shall be entitled to request and receive necessary counseling or rehabilitation services from the State, through any means including through community-based organizations.

(4) A request for any medical treatment, services, facilities or assistance under subsection (2) or (3) may be made to the Authority in such manner as may be prescribed and the Authority shall proceed with such request and cause appropriate treatment, services, facilities or assistance to be provided to such victim of crime in an expeditious manner.

(5) The Authority may consider the grant of an interim award in relation to any request made under this section, under section 67 of this Act.

8. (1) A victim of crime shall have the right to make a statement in writing (in this Act referred to as the “victim impact statement”) to the court or Commission to describe the manner in which the offence alleged to have been committed has impacted him physically, emotionally, psychologically, financially, professionally or in any other manner.

Victim impact
statement

(2) Where any victim of crime is unable to make, or incapable of making, such victim impact statement due to any reason acceptable to the court or Commission, any other person on behalf of the victim of crime as may be permitted by the court or Commission may make such statement.

(3) The victim impact statement shall consist of –

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- (a) a victim personal statement; and
- (b) a victim impact report.

(4) A victim personal statement referred to in paragraph (a) of subsection (3) -

- (a) shall set out the physical, emotional, psychological, financial, professional or other impact of the offence on the victim of crime;
- (b) may contain a statement, where applicable, whether the offence has been motivated by the age, gender, ethnicity, faith, religion, sexuality or disability of the victim of crime;
- (c) may state whether the victim wishes to claim compensation or requires any assistance as provided for in this Act.

(5) A victim impact report referred to in paragraph (b) of subsection (3) shall be a report issued by a medical expert or psychologist and shall-

- (a) contain an opinion on the traumatic impact of the offence on the victim of crime; and
- (b) contain a report on needs assessment of the victim of crime, consequent to the impact of the offence on the victim of crime.

(6) The victim personal statement and victim impact report made by a victim of crime or any other person on his behalf to a court or Commission shall be made available to the defence, and the victim of crime or other person who made such statement or the medical expert or psychologist who issued the victim impact report may be summoned to give evidence at any proceedings before such court or Commission.

(7) A court or Commission may, at any stage of the proceedings and with notice to the defence, call for a victim impact statement from the victim of crime or any other person on behalf of the victim of crime and the provisions of subsection (6) shall apply in relation to such victim impact statement.

9. (1) A witness shall always be treated with respect to his dignity and privacy in a manner that is fair in all circumstances.

Rights and
entitlements of a
witness

(2) Every witness is entitled to protection and it shall be the duty of the State to provide such protection.

(3) (a) A witness shall be entitled to provide any information or make a statement freely and voluntarily to any court, Commission or law enforcement authority relating to the alleged commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act.

(b) Subject to the provisions of the laws of evidence, and subject to the service of summons at the discretion of a court or Commission on a witness, a witness shall be entitled to testify before any court or Commission freely and voluntarily.

(4) Where the participation of a witness is required prior to, or during the course of, an investigation or inquiry, or during the pendency of any proceedings in any court or Commission, such witness shall not be harassed, intimidated, coerced or treated in a manner that violates his rights and entitlements set out in this Act.

(5) A witness shall be entitled to protection against any real or possible harm, threat, intimidation, reprisal or retaliation resulting from such witness-

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- (a) having provided information or communication or lodged a complaint;
- (b) having made a statement or submitted an affidavit to any law enforcement authority during an investigation or inquiry;
- (c) having provided any testimony or given any evidence in any court or before any Commission;
- (d) being a public officer, having been engaged in any manner in the administration of justice; or
- (e) for instituting legal proceedings,

in relation to the commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act, by any person.

Making
complaints
regarding
violation of
rights or denial
of entitlements
of victims of
crime or
witnesses

10. (1) A victim of crime or witness or any other person on behalf of a victim of crime or witness may make a complaint regarding the violation or denial, or imminent violation or denial, of any right or entitlement specified in this Part of this Act either orally or in writing to the Authority within thirty days from the date of the alleged violation or denial, or imminent violation or denial, of such right or entitlement.

(2) Where a complaint under subsection (1) has been made orally, it shall be recorded forthwith in writing by the officer receiving such complaint.

(3) The procedure applicable for investigation or inquiry of any complaint received by the Authority under subsection (1) shall be as specified in the First Schedule to this Act.

11. It shall be the duty of every public officer including every judicial officer and every member of the armed forces and the police force to recognize, protect and promote the rights and entitlements of victims of crime and witnesses set out in this Part of this Act.

Duty of public officers to respect the rights and entitlements of victims of crime and witnesses

12. Nothing in this Part of this Act shall be construed as-

Limitation of rights and entitlements

- (a) giving any person a right to require a public authority to incur specific expenditure in relation to rights and entitlements of victims of crime and witnesses set out under this Part of this Act; or
- (b) requiring a public authority to incur expenditure in relation to rights and entitlements of victims of crime and witnesses set out under this Part of this Act.

13. (1) The Authority shall maintain a register called “Victim Information Register” in such form and containing such information relating to victims of crime, as may be determined by the Authority.

Victim Information Register

(2) A victim of crime may, on application made by himself or through an attorney-at-law, request the Authority to register himself in the Victim Information Register by providing the information referred to in subsection (1).

(3) A victim of crime shall, after registration in the Victim Information Register, be entitled, upon a request made to the Authority, to receive information on any of the following matters in relation to the offender, from the Authority: -

- (a) the punishment imposed on the offender;
- (b) any instance of escape from custody and recapture of the offender, if any;

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- (c) the impending dates on which the offender is to be released from custody; or
- (d) details of appeals against the conviction and sentence of the offender, if any.

(4) It shall be the duty of the Authority to provide the information requested by a victim of crime under subsection (3) in writing without delay.

(5) The Authority shall maintain confidentiality with regard to the information relating to victims of crime and witnesses contained in the Victim Information Register and shall not share any such information except as required by law.

PART III

OFFENCES AGAINST VICTIMS OF
CRIME AND WITNESSES

Intimidation to a
victim of crime
or witness

14. Any person who threatens a victim of crime or witness with any harm to his person, reputation or property, or to the person or reputation or property of any other person in whom such victim of crime or witness has an interest, with the intention of –

- (a) causing alarm to such victim of crime or witness;
- (b) causing such victim of crime or witness to refrain from –
 - (i) lodging a complaint against such person with a law enforcement authority; or
 - (ii) testifying at any judicial or quasi-judicial proceedings against such person; or

- (c) compelling such victim of crime or witness to withdraw a complaint lodged or legal action instituted against such person,

commits an offence under this Act, and shall, on conviction, by the High Court, be liable to a fine not exceeding one hundred and fifty thousand rupees or to imprisonment of either description for a period not exceeding three years or to both such fine and imprisonment. In addition, such person may also be ordered to pay compensation of an amount not exceeding five hundred thousand rupees.

15. Any person who voluntarily causes hurt or grievous hurt to a victim of crime or witness, with the intention of-

Causing hurt to a victim of crime or witness

- (a) causing such victim of crime or witness to refrain from-
 - (i) lodging a complaint against such person with a law enforcement authority; or
 - (ii) testifying at any judicial or quasi-judicial proceedings against such person;
- (b) compelling such victim of crime or witness to withdraw a complaint lodged or legal action instituted against such person; or
- (c) retaliating for a statement made or testimony provided by such victim of crime or witness in any court or before any Commission, against such person,

commits an offence under this Act, and shall on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

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Restraining a
victim of crime
or witness

16. Any person who wrongfully restrains a victim of crime or witness with the intention of-

- (a) preventing such victim of crime or witness from-
 - (i) lodging a complaint against such person with a law enforcement authority; or
 - (ii) testifying at any judicial or quasi-judicial proceedings against such person;
- (b) compelling such victim of crime or witness to withdraw a complaint lodged or a legal action instituted against such person; or
- (c) retaliating for a statement made or testimony provided by such victim of crime or witness in any court or before any Commission against such person,

commits an offence under this Act, and shall on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

Compelling or
inducing a
victim of crime
or witness to
leave any place,
or causing loss
or damage to the
property of a
victim of crime
or witness

17. Any person who—

- (a) compels, or by practice of deceitful means or by abuse of authority or by any other means of illegal practice induces or forces any victim of crime or witness to leave any place; or
- (b) intentionally or knowingly causes any loss, damage or destruction to a property in which a victim of crime or witness has a legitimate interest,

with the intention of preventing such victim of crime or witness from lodging a complaint or making any statement against such person to a law enforcement authority or

testifying against such person at any judicial or quasi-judicial proceedings or in retaliation for a statement made to a law enforcement authority or due to the testimony made against such person in any judicial or quasi-judicial proceedings by such victim of crime or witness, commits an offence under this Act, and shall on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment. In addition, such person shall also be liable to pay such compensation as the Court may order him to pay in relation to the loss, damage or destruction caused by him to the property of the victim of crime or witness.

18. Any person who causes any harassment, coercion, physical or mental suffering or an adverse change to the conditions of employment in the place of employment of another person, as a consequence of such other person having-

Harassment to a person in the place of employment

- (a) provided any information or lodged a complaint;
- (b) made a statement to any law enforcement authority, court or Commission;
- (c) provided any testimony in any court or before any Commission; or
- (d) instituted legal proceedings,

in relation to the commission of an offence or infringement of any fundamental right or violation of any right under the ICCPR Act by such person, commits an offence under this Act, and shall on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

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Providing gratification to prevent legal proceedings, &c

19. Any person who is alleged, suspected or accused of having committed an offence offers, provides or gives any gratification to any other person who is-

- (a) intending or preparing to institute legal proceedings against such first mentioned person for having committed such offence; or
- (b) likely to provide information or testimony against such first mentioned person to any law enforcement authority, court or Commission,

with a view to preventing, discouraging or dissuading such other person from instituting legal proceedings or providing truthful information or testimony against such first mentioned person, commits an offence under this Act, and shall on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

Disclosure of information

20. Any person who -

- (a) having received any information provided for the purpose of commencing or conducting an investigation or inquiry into an alleged offence;
- (b) having gathered any information in the course of an investigation or inquiry into an alleged offence; or
- (c) having received any information referred to in paragraph (a) or (b) from another person,

provides, issues or gives to a third person, publishes or otherwise disseminates any such information or part thereof, particularly as regards the identity of a victim of crime, witness or informant and thereby places the life of such victim of crime, witness or informant in danger, commits an offence

under this Act, and shall, on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment:

Provided however, the provision, issuance or giving out, publishing or dissemination of information in good faith and in accordance with or in compliance with-

- (i) any provision or procedure established by law;
- (ii) an order made by a court; or
- (iii) a directive issued by a person duly authorised to do so by or under any written law,

shall not be an offence.

21. Any person who, with the intention of obtaining any assistance or protection from the Authority, the Police including the Protection Division, a court or Commission, provides any information knowing or having reasonable grounds to believe that such information is false, commits an offence under this Act and shall, on conviction by the High Court, be liable to a fine not exceeding five hundred thousand rupees or to imprisonment of either description for a period not exceeding six years or to both such fine and imprisonment.

Providing false information

22. Any person who-

- (a) is in charge of, or is providing protection or assisting in providing protection to a victim of crime or witness; or
- (b) is otherwise in possession of any information relating to the protection being afforded to a victim of crime or witness,

Disclosure of information by a person providing protection

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provides, issues or gives to another person such information and thereby places the life of such victim of crime or witness in danger, commits an offence under this Act and shall, on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment:

Provided however, the provision, issuance or giving out of information in good faith and in accordance with or in compliance with-

- (i) any provision or procedure established by law;
- (ii) an order made by a court; or
- (iii) a directive issued by a person duly authorised to do so by or under any written law,

shall not be an offence.

Attempting,
instigating,
aiding & c., in
the commission
of an offence

23. Any person who attempts to commit, instigates or intentionally aids or abets any other person to commit or engages in any conspiracy for the commission of any offence referred to in section 14, 15, 16, 17, 18, 19, 20, 21 or 22 commits an offence and shall, on conviction by the High Court, be liable to the same punishment provided for that offence in such section.

An offence
under section
14, 15, 16, 17,
18, 19, 20, 21,
22 or 23 to be
cognizable and
bailable

24. (1) (a) An offence under section 14, 15, 16, 17, 18, 19, 20, 21, 22 or 23 shall be a cognizable offence within the meaning of the Code of Criminal Procedure Act and a bailable offence within the meaning of the Bail Act, No. 30 of 1997.

(b) When enlarging a person on bail, the Magistrate's Court shall have the power to stipulate a condition in the order, prohibiting communication with or coming into close proximity with the victim of crime or witness or with such other person as may be specified in such order.

(2) A trial against a person accused of having committed an offence under section 14, 15, 16, 17, 18, 19, 20, 21, 22 or 23 shall be taken up before any other business of that court and shall be held on a day-to-day basis and not be postponed during the course of such trial, except due to unavoidable circumstances which shall be specifically recorded.

(3) If, after an inquiry by a court, it is found that there exists *prima facie* material to conclude that a person who, at the relevant point of time was on bail in respect of any offence alleged to have been committed by him, has committed an offence under section 14, 15, 16, 17, 18, 19, 20, 21, 22 or 23 of this Act, the court that granted bail to such person shall cancel such bail and such person shall be placed on remand for such period as may be considered reasonable by such court.

25. (1) In determining the appropriate sentence for any offence under this Act, the court shall have regard to the sentence prescribed for such offence in the Penal Code or any other law and the decisions laid down by courts of appellate jurisdiction with regard to the sentencing policies on the imposition of punishments.

Determination
of sentence

(2) Due regard shall also be given to aggravating and mitigating circumstances attending each offence.

(3) The Judicial Service Commission may issue guidelines under this Act with respect to the sentencing policy.

26. (1) A complaint in relation to an offence under this Part of this Act shall be made in such form and manner as may be prescribed, to-

Making
complaints in
relation to
offences under
this Part of this
Act

- (a) the Protection Division;
- (b) the Authority; or
- (c) any court, Commission or law enforcement authority.

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(2) Where any complaint under paragraph (b) or (c) of subsection (1) is received by the Authority or any court, Commission or law enforcement authority, such complaint shall forthwith be referred to the Protection Division for investigation or inquiry.

PART IV

ENTITLEMENT OF A VICTIM OF CRIME OR WITNESSES
TO SEEK PROTECTION

Entitlement to
seek protection

27. Where a victim of crime or witness or any other person on behalf of a victim of crime or witness has reasonable grounds to believe that such victim of crime or witness may be subject to any harm, injury, intimidation, reprisal or retaliation as a consequence of the circumstances relating to his being a victim of crime or witness, such victim of crime or witness or other person shall be entitled to apply for protection in terms of the provisions of this Part of this Act.

Nature of
protection that
may be sought
by a victim of
crime or witness

28. (1) The nature of protection that may be provided to any victim of crime or witness under this Part of this Act may include –

- (a) the providing of security to the person or property;
- (b) the provision of temporary accommodation including facilities for sustenance;
- (c) the permanent or temporary re-location with the consent of the victim of crime or witness, as the case may be;
- (d) the conducting of either the entirety or part of the proceedings in camera;
- (e) the concealing of the identity of the victim of crime or witness;

- (f) in the case of a child victim of crime or witness, the adoption of special measures to ensure his best interest and to protect his rights including the right to education;
- (g) the adoption of necessary measures to prevent the victim of crime or witness from being harassed, intimidated, coerced, or influenced by encountering the presence of the accused at the venue of the trial, investigation or inquiry;
- (h) the prevention of the disclosure, including in the print media or electronic media, of the identity and background information of the victim of crime or witness;
- (i) the adoption of appropriate measures to prevent the disclosure of evidence that may be provided by the victim of crime or witness, save as permitted in law for the purposes of pre-trial disclosure;
- (j) where appropriate, the provision of temporary or permanent employment; and
- (k) the adoption of any other measure a court, Commission, the Authority or Protection Division may consider necessary.

(2) The Authority or Protection Division may request assistance from a public authority or public officer in providing any measure of protection or assistance referred to in subsection (1) to a victim of crime or witness, and where such request is made, it shall be the duty of such public authority or public officer, unless such public authority or public officer is unable to do so for reasons to be stated, to assist the Authority or Protection Division as requested.

29. (1) A victim of crime or witness who seeks protection under this Part of this Act shall make a request in such form and manner as may be prescribed, to-

Application for
protection

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- (a) the Authority;
- (b) the Protection Division;
- (c) any police station;
- (d) any court or Commission; or
- (e) any law enforcement authority or public officer.

(2) Where the request for protection received under paragraph (c), (d) or (e) of subsection (1) is in relation to an offence specified in the Second Schedule to this Act, such request shall be referred to the Authority or Protection Division, without delay.

(3) Where the request for protection received under paragraph (a), (b), (d) or (e) of subsection (1) is in relation to an offence not specified in the Second Schedule to this Act, such request shall be referred to the relevant police station, without delay.

Threat
assessment in
relation to
offences
specified in the
Second
Schedule

30. (1) Upon receipt or reference of a request for protection under section 29, in relation to an offence specified in the Second Schedule to this Act-

- (a) where such request is received by or referred to the Authority, the Authority shall take immediate measures to cause a threat assessment to be made in relation to the victim of crime or witness; or
- (b) where such request is received or referred to the Protection Division, the Protection Division shall take immediate measures to make a threat assessment in relation to the victim of crime or witness,

and based on the findings of such threat assessment, the Authority or Protection Division, as the case may be, shall

take appropriate measures to provide the necessary protection forthwith.

(2) Any request for protection made under this Part of this Act shall be treated as confidential.

31. (1) Where, in the case of an offence not specified in the Second Schedule to this Act, the request for protection is received by or referred to a police station under section 29, the Protection Officer assigned to such police station under section 38 shall immediately conduct a threat assessment and based on the findings of the threat assessment, and with the concurrence of the Superintendent of Police of the area, provide the necessary protection to the victim of crime or witness.

Protection with regard to offences not specified in the Second Schedule

(2) In the event that-

- (a) the Authority, the Protection Division or the officer-in charge of the police station is of the opinion that there is a serious threat to a victim of crime or witness, in relation to an offence which is not specified in the Second Schedule; or
- (b) the victim of crime or witness alleges bias against the police station of the area,

the Protection Division shall proceed to provide appropriate protection to such victim of crime or witness.

32. (1) Whenever a court or Commission has reasonable grounds to believe that a victim of crime or witness in any legal proceedings requires protection from injury, intimidation, reprisal or retaliation or, assistance to attend and participate in any legal proceedings, such court or Commission may direct the Authority, the Protection Division, a police station or other law enforcement authority to take all necessary measures to provide or cause to be provided such protection to such victim of

Duty of court or Commission in relation to proceedings

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crime or witness and the Authority, the Protection Division, such police station or such law enforcement authority shall comply with such direction, without delay.

(2) In complying with a direction issued by a court or Commission under subsection (1), the Authority, Protection Division, police station or law enforcement authority may make a preliminary needs assessment on the protection needed by such victim of crime or witness and provide such protection as may be necessary.

(3) Whenever the Authority, Protection Division, police station or law enforcement authority, after providing protection under subsection (2), is of the opinion that there exists any ground for termination of protection specified in paragraphs (a) and (b) of subsection (1) of section 36, the Authority, Protection Division, police station or law enforcement authority, as the case may be, shall report such fact with reasons to such court or Commission and thereupon such court or Commission may order the termination of protection so granted.

(4) The Authority, Protection Division, a police station or other law enforcement authority may provide necessary protection to any victim of crime or witness, immediately upon the receipt of any information or request or complaint from such victim of crime or witness that such victim of crime or witness is likely to be subject to any harm, injury, harassment, intimidation or retaliation, whether prior to, during or after the conduct of any legal proceedings before any court or Commission.

Protection to be
provided by law
enforcement
authorities and
public officers

33. (1) Where any law enforcement authority or public officer has reasonable grounds to believe that a victim of crime or witness requires protection from any possible injury, intimidation, reprisal or retaliation in attending and participating in any proceedings under any law, such law enforcement authority or the public officer shall forthwith issue a communication to that effect to the Authority or to the Protection Division.

(2) The provisions of sections 29, 30 and 31 shall *mutatis mutandis* apply to and in respect of providing protection in relation to any matter referred to in subsection (1).

34. (1) Notwithstanding anything to the contrary in any other written law, a court or Commission may, on application made by or on behalf of any vulnerable victim of crime or witness, order the Authority or the Protection Division the grant of any special measures for the protection of such victim of crime or witness, as may be prescribed.

Special measures
for vulnerable
victims of crime
or witnesses

(2) The Minister shall, when prescribing special measures for the purposes of subsection (1), seek recommendations of the Authority.

(3) The court or Commission, in ordering the grant of any special measures under subsection (1), shall ensure that the principles of fair trial are upheld in its proceedings.

(4) In determining the vulnerability of a victim of crime or witness, the following factors may also be considered: -

- (a) the nature of the offence alleged to have been committed and the attendant circumstances;
- (b) the nature of the evidence or statement the witness is expected to give or make;
- (c) any relationship between the victim of crime or witness and the accused;
- (d) the age and level of understanding of the victim of crime or witness;
- (e) the accused's behavior or attitudes towards the victim of crime or witness including the accused's behavior or attitudes towards the family members or associates of, or any other person having a close kinship to, the victim of crime or witness; and

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- (f) any other relevant matter including the racial, social and cultural background of the victim of crime or witness, the gender including transgender, sexual orientation, possibility of being subject to social marginalization, domestic or employment circumstances, religious or political beliefs, and any physical disability or impairment the victim of crime or witness suffers from.

(5) Notwithstanding anything to the contrary in any other law, a court or Commission may-

- (a) in proceedings relation to sexual offences or violence, permit a child victim of crime or child witness to give evidence or make a statement through contemporaneous audio-visual linkage from a remote location, without requiring his personal attendance before such court or Commission; or
- (b) on being satisfied that any vulnerable victim of crime or witness is unable to understand the nature of an oath or an affirmation, permit such victim of crime or witness to give evidence or make a statement without an oath or an affirmation being administered, and such victim of crime or witness shall be informed that he is bound to state the truth on all matters to which his evidence or statement relates.

(6) In this section, a “vulnerable victim of crime or witness” includes –

- (a) a victim of crime or witness under eighteen years of age;
- (b) a person suffering from significant impairment of intelligence and social functioning;

- (c) a victim of any sexual offence;
- (d) a person with disability;
- (e) a person who is a victim of trafficking under section 360C of the Penal Code or a victim of domestic violence within the meaning of the Prevention of Domestic Violence Act, No. 34 of 2005;
- (f) any victim of crime or witness who is determined to be a vulnerable victim of crime or witness by a court or Commission, upon such victim of crime or witness or a counsel on his behalf making an application to such court or Commission and satisfying such court or Commission that he should be treated as a vulnerable victim of crime or witness; and
- (g) any other person whom a court or Commission may determine to be a vulnerable victim of crime or witness, for reasons recorded.

35. (1) The Authority or the Protection Division shall require a Protection Officer to conduct a continuous needs assessment of victims of crime and witnesses who have received protection under the provisions of this Act.

Continuous needs assessment by Protection Officer and variation of protection arrangement

(2) A Protection Officer may, where he is of the opinion that any protection arrangement made in respect of any victim of crime or witness needs to be varied, vary such protection arrangement and shall report such fact, along with the reasons therefor, to the Protection Division through the officer-in-charge of the relevant police station.

(3) In deciding whether any protection arrangement shall be varied under this section, particular regard shall be had to-

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- (a) the nature and the extent of the risk to the safety of the victim of crime or witness;
- (b) the practical aspects and the costs involved in the new arrangements; and
- (c) the ability of the victim of crime or witness or any other person associated with him to adapt to the changes in the circumstances arising from such variation.

(4) Where there is an urgent need to protect a victim of crime or witness in any police division, a Protection Officer shall make such arrangement as he considers appropriate for the purpose of providing such urgent protection to such victim of crime or witness.

Cessation of
protection

36. (1) Subject to the provisions of subsection (3) of section 32, the Authority, Protection Division or subject to the provisions of subsection (2), a Protection Officer may terminate the protection provided to any victim of crime or witness under this Act after recording the reasons therefor, whenever-

- (a) the need for such protection no longer exists; or
- (b) the victim of crime or witness-
 - (i) requests that such protection be terminated;
 - (ii) refuses to receive such protection;
 - (iii) abuses the protection granted;
 - (iv) breaches any conditions agreed to;
 - (v) is found to have provided any false information, statement, complaint or testimony to the Authority, the Protection

Division, any court, Commission, police station or law enforcement authority, in order to obtain protection; or

- (vi) having obtained any protection in terms of this Act, provides false information, statement, complaint or testimony to the Authority, the Protection Division, any court, Commission, police station or law enforcement authority, in order to continue to receive such protection.

(2) A Protection Officer shall not terminate any protection arrangement except with the concurrence of the Head of the Protection Division.

(3) Where a victim of crime or witness is dissatisfied with the decision to terminate protection granted to him, he may-

- (a) if such decision was taken by the Protection Officer or the Protection Division, appeal to the Authority against such decision; or
- (b) if such decision was taken by the Authority, appeal to the Advisory Board appointed under section 74 against such decision.

(4) The Authority or the Advisory Board, as the case may be, after considering such matters as may deem necessary, may vary in an appropriate manner, or confirm, the decision referred to in subsection (1).

(5) In deciding whether any protection arrangement shall be terminated under this section, particular regard shall be had to the nature and the extent of the risk to the safety of the victim of crime or witness.

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Duties of a
victim of crime
or witness in
regard to
assistance and
protection

37. (1) Any victim of crime or witness who has received any assistance or protection under this Act shall not –

- (a) abuse such assistance or protection;
- (b) provide any false information or testimony to the Authority, Protection Division, a court, Commission, police station or law enforcement authority; or
- (c) act contrary to the written advice or terms and conditions agreed upon with the Authority or Protection Division.

(2) Where there is credible information that a victim of crime or witness is acting in a manner that contravenes subsection (1), the Authority or the Protection Division shall conduct an inquiry and the findings of such inquiry shall be communicated to the court or Commission. The court or Commission shall, after a further inquiry, shall make an appropriate order in regard to the assistance or protection that has been provided to such victim of crime or witness.

Victims and
Witnesses
Protection
Officers

38. (1) The Inspector General of Police shall, in consultation with the Authority, assign to each police station such number of police officers to be designated as Victims and Witnesses Protection Officers (in this Act referred to as “Protection Officers”) as may be necessary, for the purposes of this Part of this Act:

Provided however, at least one of such officers shall be a female officer.

(2) In deciding the number of Protection Officers required to be assigned to any police station, the Inspector General of Police shall take into account the population of the police division, the prevalence of serious crimes and the perceived vulnerability of special categories of persons including children, women or disabled persons in that police division and other relevant data and statistics related to that police division.

(3) (a) The Head of the Protection Division, in consultation with the Authority, shall issue directives to be followed by the Protection Officers in performing and discharging their duties and functions, and such directives shall, where necessary, be treated as confidential notwithstanding anything to the contrary in any other law.

(b) The Authority shall conduct special training programmes for the purpose of developing the competence of the Protection Officers.

(4) A Protection Officer shall maintain a confidential record of every action that he takes in providing protection to a victim of crime or witness under this Act.

PART V

ESTABLISHMENT OF THE NATIONAL AUTHORITY FOR THE PROTECTION OF VICTIMS OF CRIME AND WITNESSES

39. (1) There shall be established an authority which shall be called the National Authority for the Protection of Victims of Crime and Witnesses (in this Act referred to as the “Authority”).

National Authority for the Protection of Victims of Crime and Witnesses

(2) The Authority shall, by the name assigned to it by subsection (1), be a body corporate with perpetual succession and a common seal, and may sue and be sued in that name.

40. (1) The duties and functions of the Authority shall be –

Duties and functions of the Authority

(a) to protect and promote respect for, and recognition of, the rights and entitlements of victims of crime and witnesses as provided for in this Act;

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(b) to investigate and inquire into any complaint or information received by the Authority regarding any alleged violation or denial, or imminent violation or denial, of rights and entitlements of victims of crime and witnesses provided for in this Act, and to-

(i) give directions or make recommendations to any person or authority to take corrective measures;

(ii) grant such financial or other assistance; or

(iii) take any other appropriate measures,

that ensure the protection and promotion of the rights and entitlement of victims of crime and witnesses provided for in this Act;

(c) to take necessary steps to ensure security and protection of victims of crime and witnesses, by way of providing or arranging the provision of, necessary medical treatment, counselling or rehabilitation services, or reparation or restitution measures;

(d) to formulate and implement a scheme for the purpose of granting any interim awards to victims of crime from the Protection Fund established under this Act and to grant interim awards to such victims of crime as recommended by the Advisory Board under section 69 of this Act;

(e) to create awareness among the public on the rights and entitlements of victims of crime and witnesses and the relief or remedies available to them under this Act;

- (f) to advise and make recommendations to the Department of Police, any other Government Department or statutory institution and public officers, on measures that should be implemented to give effect to, protect and promote, the rights and entitlements of victims of crime and witnesses provided for in this Act;
- (g) to review existing legislation, and the policies, practices or procedures adopted and followed by the relevant institutions, relating to the protection and promotion of the rights and entitlements of victims of crime and witnesses and to make recommendations, if any, to amend or update such legislation, policies, practices or procedures to ensure conformity with the latest recognized international standards and best practices relating to the same;
- (h) upon request made by any court or Commission, to provide necessary facilities to establish a contemporaneous audio-visual linkage for recording of evidence or statement of a victim of crime or witness from a remote location;
- (i) to develop and issue, in consultation with other relevant authorities, guidelines and procedures which ensure the best interest of victims of crime and witnesses;
- (j) to issue guidelines in regard to the independent functioning of the Protection Division;
- (k) to take measures to sensitize public officers including Government Medical Officers, officers of the Sri Lanka Police, the Department of Prisons or public officers associated with probation and social services-

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- (i) on the needs of any victim of crime or witness;
or
 - (ii) on any special needs of any such specific category of victims of crime or witnesses as may be specified by the Authority;
- (l) to conduct or promote the carrying out of research into ways and means through which –
- (i) the incidence of crime can be reduced;
 - (ii) the impact of specific crimes on victims could be minimized or prevented;
 - (iii) victims of crime can be effectively treated, rehabilitated, counselled, assisted, compensated and protected;
 - (iv) the causes that prevent victims of crime or witnesses from seeking redress or relief through the available criminal justice mechanisms may be identified and eliminated; and
 - (v) a conducive environment could be created for witnesses to make statements before the law enforcement authorities or to testify fearlessly at any proceedings before any court or Commission;
- (m) to promote the application and observance of codes of conduct and recognized norms and best practices relating to the protection of the rights and entitlements of victims of crime and witnesses, by courts, Commissions, any other tribunals, public officers and employees of statutory bodies involved in the enforcement of law, including officers of the Sri Lanka Police, the Prisons Department, Government Medical Officers and officers of the Government social service institutions;

- (n) to make recommendations to the Government and other appropriate authorities on the development, adoption and implementation of-
 - (i) crime prevention policies in order to minimize the incidence of victimization;
 - (ii) measures of restitution of victims of crime; and
 - (iii) measures of restorative justice as an option to sentencing;
- (o) having regard to the existing financial regulations, to lay down the procedure and criteria for the granting of financial assistance to victims of crime and witnesses;
- (p) to organize training programmes on the treatment of child victims of crime or child witnesses and identify qualified personnel and proper procedures that may be employed to protect and meet any special needs of such child victims of crime or witnesses;
- (q) to promote the development, adoption and implementation of measures of restitution for victims of crime as an option to sentencing in the criminal justice system; and
- (r) to perform or discharge any other duty or function that may be necessary to achieve the objects of this Act.

(2) Where the Authority issues any directive or makes any recommendation to any person or authority, or requires any person or authority to carry out any measure under subsection (1), it shall be the duty of such person or authority –

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- (a) to give effect to such directive or recommendations or carry out such measure and report back to the Authority of such fact; or
- (b) where such person or authority is unable to give effect to such directive or recommendation, or carry out the measure, to report back to the Authority of such inability, giving reasons for the same.

(3) The Authority shall monitor the implementation of the directive or recommendations or carrying out the measure referred to in subsection (2) by calling for periodical reports from such person, authority or any other relevant authority.

Powers of the
Authority

41. (1) The Authority shall have the power –

- (a) to receive any complaint or information on any alleged violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness under this Act;
- (b) for the purpose of conducting an investigation or inquiry into any alleged violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness under this Act, to -
 - (i) require any person, other than a judicial officer or Commissioner of a Commission, to appear before the Authority and to participate in such investigation or inquiry;
 - (ii) require any person, other than a court or Commission, to produce before the Authority any document, a certified copy of any document or any other material in the possession or custody of such person, including any report of investigation or inquiry, an extract of an information book and extract of Police Officers' Visiting Book for examination and to take copies thereof;

- (iii) require any person, other than a court or Commission, to provide to the Authority in writing any information which such person possesses:

Provided however, if the disclosure of any information is detrimental to the national security, such person shall not be required to provide such information, and the onus of proving that the information is confidential shall lie with the person who so claims;

- (iv) interview and record a statement of any person, other than a judicial officer or Commissioner of any Commission:

Provided however, anything stated during the course of recording of such statement shall not be used against such person at any subsequent trial of any charge or indictment relating to an offence;

- (v) request any court or Commission to provide to the Authority certified copies of the records of any proceedings, documents and other material filed of record in such court or Commission relating to any alleged offence against a victim of crime or witness or the alleged violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness, without the payment of any fee, provided sufficient justification is shown for such request; and
- (vi) subject to prior approval of the relevant authorities, enter into, inspect or examine any place or location, or observe and record any event or process progressing in any place, including an investigation, inquiry, trial or other proceeding;

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- (c) for the purpose of providing redress to any victim of crime or witness, to-
 - (i) make an appropriate order to remedy, or to provide relief, or to take corrective measures on any damage caused as a result of the violation of rights or denial of entitlements of any victim of crime or witness under this Act;
 - (ii) direct, advise or recommend the relevant authorities to adopt appropriate measure for the promotion or protection of the rights and entitlements of any victim of crime or witness under this Act; and
 - (iii) use mechanisms including conciliation and mediation in addition to other available legal mechanisms;
- (d) to make representations to the Attorney-General or any other authority on the basis of any investigation or inquiry into any alleged violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness under this Act;
- (e) to direct the Protection Division to take over an investigation or inquiry into any offence under this Act under paragraph (f) of subsection (1) of section 56;
- (f) to acquire, hold, take or give on lease or hire, mortgage, pledge, sell or otherwise dispose of any movable or immovable property;
- (g) to enter into such contracts as may be necessary for the performance and discharge of its duties and functions;

- (h) to invest monies lying to the credit of the Protection Fund in an appropriate and secure manner and open and maintain current, savings or deposit accounts in banks;
- (i) to appoint, dismiss and exercise disciplinary control over officers and other employees, consultants and advisors of the Authority as may be necessary for the proper performance and discharge of its duties and functions;
- (j) subject to the provisions of subsection (2), to accept and receive donations, gifts, bequests and grants from any source within or outside Sri Lanka and to utilize the same for the proper performance and discharge of its duties and functions; and
- (k) to do all such other things as may be necessary for the proper performance and discharge of its duties and functions under this Act.

(2) The Authority or the Protection Division shall not obtain any assistance from any foreign government or foreign or international organization in providing assistance or protection to a victim of crime or witness, without the prior approval of the Department of External Resources.

(3) Any person who, without justifiable reason, fails to comply with any requirement, direction or order made or issued by the Authority in the exercise of the powers vested in the Authority under this section, commits an offence and shall, on conviction by a Magistrate, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

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Board of
Management of
the Authority

42. (1) The administration and management of the affairs of the Authority shall be vested in a Board of Management (in this Act referred to as the “Board”).

(2) The Board shall, for the purpose of administering and managing the affairs of the Authority, exercise, perform, and discharge the powers, duties and functions conferred on, assigned to, or imposed on, the Authority by this Act.

(3) The Board shall consist of-

(a) the following *ex-officio* members –

- (i) the Secretary to the Ministry of the Minister assigned the subject of Justice or an Additional Secretary to such Ministry, nominated by such Secretary;
- (ii) the Secretary to the Ministry of the Minister assigned the Department of Police or an Additional Secretary to such Ministry, nominated by such Secretary;
- (iii) the Secretary to the Ministry of the Minister assigned the subject of Women’s Affairs or an Additional Secretary to such Ministry, nominated by such Secretary;
- (iv) the Secretary to the Ministry of the Minister assigned the subject of Children or an Additional Secretary to such Ministry, nominated by such Secretary;
- (v) a member of the Human Rights Commission of Sri Lanka established by the Human Rights Commission of Sri Lanka Act, No. 21 of 1996, nominated by such Commission;

- (vi) the Chairman of the Legal Aid Commission established by the Legal Aid Law, No. 27 of 1978 or a nominee of such Chairman not below the rank of Commissioner;
- (vii) the Commissioner-General of Prisons or a nominee of such Commissioner-General not below the rank of Commissioner;
- (viii) a nominee of the Attorney- General; and
- (ix) a nominee of the Inspector General of Police holding the rank of Senior Deputy Inspector General of Police:

Provided however, where two or more subjects specified in subparagraph (i), (ii), (iii), or (iv) of this paragraph are assigned to a single Ministry, the nomination of a member of that Ministry to the Authority shall be by the Secretary to the Ministry of the Minister assigned those subjects; and

- (b) five members who are academically or professionally qualified and have experience in the field of Law, Criminology, Human Rights or Medicine, or in social service or civil society activities appointed by the President (in this Act referred to as the“appointed members”).

43. (1) The President shall appoint one member of the Board as the Chairman of the Board who shall also be the Chairman of the Authority.

Chairman of the Authority

(2) The Chairman of the Authority shall be appointed for a period of three years and shall be eligible for re-appointment.

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(3) The Chairman of the Authority may, at any time, resign from the office of Chairman by a letter addressed to the President and such resignation shall take effect upon it being accepted by the President in writing.

(4) Where the Chairman of the Authority is, by reason of illness or absence from Sri Lanka, temporarily unable to perform the duties of his office, the President shall appoint another member of the Board to act in his place.

(5) The President may, for reasons assigned, remove the Chairman of the Authority from the office of Chairman.

Disqualifications
for being a
member of the
Board

44. A person shall be disqualified from being appointed or continuing as a member of the Board, if such person –

- (a) is or becomes, a member of Parliament, a Provincial Council or any local authority;
- (b) is not, or ceases to be, a citizen of Sri Lanka;
- (c) is, under any law in force in Sri Lanka or in any other country, found or declared to be of unsound mind; or
- (d) is serving or has served, a sentence of imprisonment imposed by any court in Sri Lanka or any other country.

Resignation and
removal of
appointed
members of the
Board

45. (1) An appointed member of the Board may, at any time, resign from his office by letter to that effect addressed to the President and such resignation shall take effect upon it being accepted in writing by the President.

(2) The President may, for reasons assigned, by Order published in the *Gazette*, remove an appointed member of the Board from office and such member shall cease to hold office from and after the date of publication of such Order in the *Gazette*.

(3) In the event of any appointed member of the Board vacating office by death, resignation or removal from office, the President shall, having regard to the provisions of paragraph (b) of subsection (3) of section 42, appoint another person to succeed such member.

(4) The member appointed under subsection (3) shall hold office for the unexpired period of the term of office of the member whom he succeeds.

(5) Where any appointed member of the Board, by reason of illness, infirmity or absence from Sri Lanka for a period not less than three months, is temporarily unable to perform the duties of the office, such member shall inform the President in writing, of such inability. Thereupon, the President may, having regard to the provisions of paragraph (b) of subsection (3) of section 42, appoint another person to act in his place for such period.

46. Every appointed member of the Board shall, unless such member vacates office earlier by death, resignation or removal, hold office for a term of three years from the date of his appointment and shall, unless he has been removed from office, be eligible for re-appointment.

Term of office
of an appointed
member

47. The members of the Board may be paid such remuneration out of the Fund of the Authority, at such rates as may be determined by the President in consultation with the Minister assigned the subject of Finance.

Remuneration
of members

48. (1) The Chairman of the Board shall, if present, preside at every meeting of the Board. In the absence of the Chairman from any such meeting, the members present shall elect one of the members present, to preside at such meeting.

Meetings of the
Board

(2) The quorum for any meeting of the Board shall be five members.

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(3) The Chairman or the member presiding at any meeting of the Board may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

(4) All matters for decision by the Board shall be dealt with at a meeting of the Board and shall be determined by the majority of the members present and voting.

(5) In the event of an equality of votes on any matter considered at a meeting of the Board, the Chairman or the member presiding at such meeting shall have a casting vote in addition to his original vote.

(6) Subject to the preceding provisions of this section, the Board may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

Any act not
invalidated by
reason of a
vacancy in the
Board

49. No act, decision or proceeding of the Board shall be deemed to be invalid by reason only of the existence of any vacancy therein, or any defect in the appointment of any member thereof.

Seal of the
Authority

50. (1) The seal of the Authority shall be as determined by the Board and may be altered in such manner as may be determined by the Board.

(2) The seal of the Authority shall be in the custody of such person as the Board may determine from time to time.

(3) The seal of the Authority shall not be affixed to any instrument or document except with the sanction of the Board and in the presence of two members of the Board, who shall sign the instrument or document in token of their presence.

(4) The Board shall maintain a register of instruments and documents to which the seal of the Authority has been affixed.

PART VI

APPOINTMENT OF THE DIRECTOR-GENERAL AND STAFF OF THE
AUTHORITY

51. (1) There shall be a Director-General of the Authority (in this Act referred to as the “Director-General”) who shall be a person with professional qualifications in the field of Law, Administration or Criminology with at least fifteen years of experience in any of such fields.

Director-General
of the Authority

(2) The Director-General shall be appointed by the Board and shall be the Chief Executive Officer of the Authority.

(3) The Director-General shall, subject to the general or special directions and supervision of the Board—

- (a) be charged with the administration and management of the affairs of the Authority, including the administration and control of the staff; and
- (b) be responsible for the performance and discharge of all such duties and functions assigned to him by the Board.

(4) (a) The Board may, in writing and subject to such conditions as may be specified therein, delegate to the Director-General any of the powers, duties or functions of the Authority, and the Director-General shall exercise, perform or discharge such powers, duties or functions in the name and on behalf of the Authority.

(b) The Board may, notwithstanding any delegation made under paragraph (a), by itself exercise, perform or discharge any powers, duties or functions so delegated and may at any time revoke such delegation.

(5) The Director-General may, with the written approval of the Board, whenever he considers it necessary to do so, delegate in writing to any officer of the Authority any of his powers, duties or functions and such officer shall exercise, perform or discharge such powers, duties or functions subject to the general or special direction of the Director-General.

(6) The term of office of the Director-General shall be three years from the date of appointment and he shall, unless removed from office under subsection (7), be eligible for re-appointment.

(7) The Board may, with reasons assigned therefor, remove the Director-General from office, if the Director-General-

- (a) becomes permanently incapable of performing his duties;
- (b) commits any act which, in the opinion of the Board, is of a fraudulent or illegal character or is prejudicial to the interests of the Authority; or
- (c) fails to comply with any direction issued by the Board.

(8) The office of the Director-General shall become vacant upon the death, removal from office under subsection (7) or resignation by letter in that behalf addressed to the Board by the holder of that office.

(9) Where the office of the Director-General becomes vacant, the Board shall appoint another person to such office, having regard to the provisions of subsection (1).

(10) A member of the Board shall not be eligible to be appointed, whether permanently or temporarily, as the Director-General.

52. (1) The Authority may appoint as staff of the Authority such number of officers and other employees as may be necessary for the efficient discharge of its functions.

Staff of the
Authority

(2) The Authority may, in respect of the officers and other employees appointed to the Authority under subsection (1) –

- (a) determine the terms and conditions of employment of such officers and employees;
- (b) fix the rates at which such officers and employees shall be remunerated in keeping with related guidelines of the Government;
- (c) exercise disciplinary control over or dismiss such officers and employees; and
- (d) establish staff welfare and social security schemes for the benefit of such officers and employees and make contribution to any such schemes.

(3) The Board may make rules in respect of all or any of the matters referred to in subsection (2).

(4) The Authority shall not appoint as an officer or other employee of the Authority, any person who has been dismissed from any previous position held by such person in the public or private sector.

53. (1) At the request of the Authority, any officer in the public service may, with the consent of that officer and the Secretary to the Ministry by or under which that officer is employed, and the Secretary to the Ministry of the Minister assigned the subject of Public Administration, be temporarily appointed to the staff of the Authority for such period as may be determined by the Authority or with like consent, be permanently appointed to the staff of the Authority.

Appointment of
public officers
to the staff of
the Authority

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(2) Where any officer in the public service is temporarily appointed to the staff of the Authority, 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 such officer.

(3) Where any officer in the public service is permanently appointed to the staff of the Authority, 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 such officer.

(4) Where the Authority employs any person, who has entered into a contract with the Government by which he has agreed to serve the Government for a specified period, any period of service with the Authority by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such contract.

PART VII

VICTIMS OF CRIME AND WITNESSES ASSISTANCE AND
PROTECTION DIVISION

Establishment of
the Victims of
Crime and
Witnesses
Assistance and
Protection
Division

54. (1) There shall be established a Victims of Crime and Witnesses Assistance and Protection Division (in this Act referred to as the “Protection Division”) consisting of such number of police officers as may be determined by the Authority, for the purpose of conducting investigations or inquiries in relation to offences under this Act and of providing assistance and protection to victims of crime and witnesses under this Act.

(2) The police officers of the Protection Division shall be appointed subject to the provisions of the Constitution, on the nomination made by the Inspector General of Police in consultation with the Authority.

(3) The Inspector General of Police, in consultation with the Authority, shall determine the criteria for the selection of police officers to the Protection Division, and such criteria shall be published in the *Gazette*.

(4) The Inspector General of Police, with the concurrence of the Authority, shall nominate a suitably qualified police officer not below the rank of Senior Superintendent of Police as the Head of the Protection Division who shall act under the supervision of a Senior Deputy Inspector General of Police and a Deputy Inspector General of Police nominated by the Inspector General of Police.

(5) All matters relating to the appointment, promotion, transfer, disciplinary control and dismissal of the police officers of the Protection Division shall be determined in terms of the provisions of the Constitution, on the recommendation of the Inspector General of Police. The Inspector General of Police may seek the views of the Authority in making recommendations on any such matter.

(6) (a) The Authority shall make rules to ensure the confidentiality of the affairs of the Protection Division and impartiality and accountability of the police officers of the Protection Division in the performance and discharge of their duties and functions under this Act.

(b) Every police officer appointed to the Protection Division shall undertake in writing to abide by such rules.

(7) (a) The Authority shall refer any complaint with regard to any wilful non-compliance with any relevant provision of this Act or any rule made by the Authority under paragraph (a) of subsection (6), by any police officer of the Protection Division to the Inspector General of Police, who shall inquire into such complaint and take such measures as may be deemed appropriate in the relevant circumstances.

(b) A certificate issued by the Authority stating that a police officer of the Protection Division has contravened any such provision or rule shall be *prima facie* evidence for the purpose of initiating any action or inquiry against such police officer.

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Protection
Division to have
islandwide
jurisdiction

55. (1) Notwithstanding anything to the contrary in any other written law, the Protection Division shall have islandwide jurisdiction to receive, investigate or inquire into any complaint in relation to an offence under Part III of this Act-

- (a) made directly to the Protection Division;
- (b) made to the Authority and referred to the Protection Division; or
- (c) referred to the Protection Division by any court, Commission or law enforcement authority.

(2) Every police officer attached to any police station shall, whenever requested by the Protection Division, assist the Protection Division, in exercising, performing and discharging the powers, duties and functions of the Protection Division.

Powers, duties
and functions of
the Protection
Division

56. (1) The powers, duties and functions of the Protection Division shall be –

- (a) to investigate or inquire into complaints received by the Protection Division or referred to the Protection Division by the Authority, any court, Commission or law enforcement authority under the provisions of this Act;
- (b) to provide assistance and protection to victims of crime and witnesses;
- (c) to lay down conditions for admitting a victim of crime or witness into a specific programme referred to in section 59;
- (d) in the case of imminent threat to any victim of crime or witness, provide immediate protection to such victim of crime or witness;

- (e) to provide necessary guidance and advice, on request by a police station, with regard to the conduct of an investigation or inquiry into an offence under this Act by such police station;
- (f) on receipt of a direction issued by the Authority based on the gravity and the seriousness of the circumstances, to take over any investigation or inquiry into any offence under this Act against any victim of crime or witness; and
- (g) where the Protection Division is of the opinion that the gravity and the seriousness of any alleged offence under this Act warrants its intervention in the conduct of the investigation or inquiry into such offence, to take over such investigation or inquiry, with the concurrence of the Authority.

(2) The officers attached to the Protection Division shall maintain confidentiality with regard to matters relating to victims of crime and witnesses and shall not share any information on such matters except as required by law.

PART VIII

THE ASSISTANCE AND PROTECTION PROGRAMME FOR VICTIMS OF CRIME AND WITNESSES

57. (1) The Authority shall, in consultation with the Protection Division and based on the guidelines to be developed by the Authority, draw up an Assistance and Protection General Programme for Victims of Crime and Witnesses containing the procedure for the provision of assistance and protection to victims of crime and witnesses (in this Act referred to as the “General Programme”).

Assistance and
Protection
General
Programme for
Victims of
Crime and
Witnesses

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(2) In developing guidelines for the General Programme, the Authority shall have due regard to the international norms, standards, policies, procedures and best practices meant for granting assistance and protection to victims of crime and witnesses.

Duty of the
Authority to
share
information on
the General
Programme

58. (1) The Authority shall-

- (a) share information among the public about the General Programme;
- (b) create awareness among the public on the General Programme including-
 - (i) the procedure to be followed in seeking assistance and protection, whenever any offence specified in Part III of this Act is committed in relation to a victim of crime or witness;
 - (ii) the available methods in which any relevant authority may be contacted without delay for the purpose of obtaining assistance and protection for a victim of crime or witness under such General Programme; and
 - (iii) the nature of assistance and protection that may be sought under the General Programme.

(2) (a) The Authority shall formulate a manual containing the General Programme referred to in subsection (1), and shall ensure that such manual is made available to all relevant persons, authorities and institutions entrusted with the duty of providing assistance and protection to victims of crimes and witnesses.

(b) It shall be the duty of every person, authority or institution which has the responsibility of implementing the General Programme to comply with the guidelines issued in relation to such General Programme in providing assistance and protection to victims of crime and witnesses.

59. (1) The Protection Division shall, based on the General Programme drawn up by the Authority and the guidelines issued in that connection by the Authority, adopt a specific programme for the purpose of providing assistance and protection to any victim of crime or witness (in this Act referred to as a “specific programme”).

Adopting a specific programme for a victim of crime or witness

(2) The Protection Division may admit a victim of crime or witness to a specific programme on –

- (a) a request made by a victim of crime or witness;
- (b) a recommendation made by the Authority;
- (c) a report submitted by any law enforcement authority or a public officer; or
- (d) a notification received from a court or Commission.

(3) The Protection Division shall lay down the conditions to be complied with for admitting a victim of crime or witness into a specific programme.

(4) Prior to admitting a victim of crime or witness to any specific programme under subsection (1), the Protection Division shall require such victim of crime or witness to express his consent in writing to avail himself of the protection or assistance under such specific programme and to abide by the conditions stipulated by the Authority or Protection Division in relation to such specific programme.

PART IX

COMPENSATION AND INTERIM AWARDS

60. The payment of any compensation or making an interim award to a victim of crime under this Part of this Act shall be based on just and equitable basis.

Compensation and interim awards to be made on just and equitable basis

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Court may order
compensation

61. (1) Notwithstanding anything to the contrary in any other written law, a court may, on conviction of an accused, in addition to any penal sanction that may be imposed on the convicted person in respect of the offence for which he is convicted, order the convicted person to pay to the court such amount of compensation as may be determined by such court, under this Act.

(2) Where a court makes an order under subsection (1), the court may-

- (a) specify the time within which such compensation shall be paid; or
- (b) order the compensation to be paid on instalment basis, depending on the circumstances.

(3) Any sum ordered to be paid by the court under this section shall be recoverable as if it were a fine imposed by such court, and the provisions relating to recovery of compensation contained in the Code of Criminal Procedure Act shall apply to the recovery of compensation under this section.

(4) Where the convicted person is impecunious or he has no assets to be forfeited to recover compensation, the court may order the Authority to pay, subject to the availability of resources and in accordance with the succeeding provisions of this Act, a sum of money as compensation that is commensurate to the victimization, not exceeding rupees one million to the victim of crime.

Default of
payment of
compensation

62. Where a convicted person fails to pay the compensation ordered to be paid under section 61, he shall be liable-

- (a) if such order was made by the Magistrate's Court, to imprisonment of either description for a period not exceeding two years; or

- (b) if such order was made by the High Court, to imprisonment of either description for a period not exceeding five years:

Provided however, if the court is satisfied upon inquiry that the convicted person does not have the necessary financial resources to pay the compensation, the court may enter a community based correction order, and where such order is entered, the provisions relating to community based correction orders contained in the Community Based Corrections Act, No. 46 of 1999 shall, *mutatis mutandis*, apply in relation to that order.

63. The court may, before making an order to pay compensation under section 61, take the following matters into consideration: -

Matters to be considered before ordering to pay compensation

- (a) all information relating to the offence including the nature of the injury suffered by the victim of crime as a result of the offence;
- (b) any aggravating or mitigating factors;
- (c) the report of the Government Medical Officer who has examined the victim of crime;
- (d) any evidence of psychological or emotional harm that may have been caused to the victim of crime;
- (e) any loss of earnings suffered by the victim of crime on account of the injury;
- (f) any expenses including medical expenses incurred by the victim of crime;
- (g) the victim impact statement referred to in section 8;

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- (h) any other compensation that has already been paid to such victim of crime by the convicted person, or any other compensation recovered from the convicted person by any other court, Commission, body or person, or any other award that may have already been made to such victim of crime; and
- (i) any other information that may assist the court or the Authority to determine the nature and the extent of injury, damage or loss that such victim of crime may have suffered as a result of the offence.

Onus of proving
the claim

64. (1) The onus of proving a claim for compensation or interim award under this Part of this Act shall lie with the person who makes the claim.

(2) Notwithstanding any rule of evidence or any prohibition in respect of the admissibility of evidence, a court determining the payment of compensation under this Act or the Authority determining on the payment of an interim award under this Act, may take into account any statement of a victim of crime or witness or any other person relevant to the proceedings.

Receipt of
compensation
not to be a bar
to civil
proceedings

65. (1) Where a court recovers any amount as compensation from a convicted person under section 61, such court shall remit twenty *per centum* of the money so recovered to the Protection Fund and the balance amount shall be paid to the victim of crime, his next of kin, dependents or heirs as the case may be.

(2) The receipt of compensation by a victim of crime under this section shall not prejudice the right of such victim of crime to claim any damages in any civil proceedings, provided that when determining the quantum of damages to be awarded, such civil court may take into consideration the compensation already received by such victim of crime under this section.

66. (1) Any person aggrieved by the decision of the court under this Act in regard to the quantum of compensation awarded or the refusal to award compensation by the court, shall have a right to seek a review of such decision-

Appeals

(a) where such decision has been taken by a Magistrate's Court, in the High Court of the Province having jurisdiction; or

(b) where such decision has been taken by a High Court, in the Court of Appeal.

(2) The provisions relating to the procedure for seeking review of decisions contained in Part VII of the Code of Criminal Procedure Act shall *mutatis mutandis* apply to the filing of applications for review of decisions under this section.

67. (1) The Authority may consider paying an interim award of money to a victim of crime in exceptional circumstances in the case of a serious offence, on the recommendation of the Advisory Board as set out in section 69.

Authority may make an interim award of money in exceptional circumstances

(2) The interim award referred to in subsection (1) may be made, depending on the availability of resources-

(a) on the application of a victim of crime or any other person on his behalf, as provided for in section 68; and

(b) irrespective of the final outcome of the proceedings relating to the offence alleged to have been committed.

(3) For the purposes of this section, a "serious offence" means an offence which is punishable with a sentence of minimum of five years of imprisonment, with or without a fine.

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Application for
interim award of
money from the
Authority

68. (1) (a) A victim of crime or any other person on his behalf may make an application to the Authority for interim award of money supported by an affidavit, along with any other document as may be specified by the Authority. The affidavit shall contain a true declaration of all sources of income of the victim of crime.

(b) Where the application, affidavit and other documents are submitted by another person on behalf of the victim of crime under paragraph (a), such person shall clearly state the reasons as to why the victim of crime cannot submit such application, affidavit and other documents by himself.

(2) The Authority shall refer any application, affidavit and other documents received under subsection (1) to the Advisory Board, for recommendations.

Advisory Board
to recommend
granting of
interim awards

69. (1) Upon receipt of a reference under subsection (2) of section 68, the Advisory Board shall-

(a) consider each application for interim award on just and equitable basis; and

(b) make its recommendations to the Authority whether to grant an interim award to the victim of crime,

within fourteen days from the receipt of the reference.

(2) In making recommendations on an application under subsection (1), the Advisory Board shall-

(a) take into account all attendant circumstances of the offence committed against the victim of crime and the injuries suffered by the victim of crime;

(b) consider all relevant evidence, documents and material that would establish the authenticity of the claim for interim award; and

- (c) take into account any compensation that has already been paid to the victim of crime by the accused or convicted person or that has already been recovered from the accused or convicted person by any court, Commission, body or person, in respect of the offence alleged to have been committed.

70. (1) Upon receipt of recommendations of the Advisory Board under section 69, the Authority may, in accordance with the guidelines issued by the Authority, make an interim award to a victim of crime.

Grant of interim award

(2) The sum of money awarded to a victim of crime as interim award shall, on an order of the Authority which shall be made subject to the provisions of subsection (3), be repaid by him to the Authority as per the scheme of repayment referred to in subsection (4).

(3) (a) Any order made by the Authority for the repayment of the interim award shall be dependent on the earning capacity of the victim of crime as declared by him in his affidavit.

(b) If the victim of crime is unemployed or has no means of income to repay the interim award, an order shall not be made for the repayment of the interim award.

(4) Where an order is made for the repayment of an interim award, the Authority shall enter into a scheme of repayment with the victim of crime.

(5) The Authority may periodically assess the level of earning capacity of a victim of crime and vary an order made for the repayment of an interim award.

71. (1) Where a person fails, on an order made by the Authority, to repay any sum of money received as interim award under section 70, the Magistrate's Court having jurisdiction shall-

Failure to repay the interim award

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Crime and Witnesses Act, No. 10 of 2023*

- (a) on application made to such Court by the Authority;
and
- (b) upon a certificate issued to the Magistrate under
the hand of the Chairman of the Authority that such
sum of money has not been repaid,

recover such sum of money as a fine imposed by the Court.

(2) A certificate issued under paragraph (b) of subsection
(1) shall be *prima facie* evidence of the fact of such non-
payment.

Authority to
issue guidelines
relating to
interim awards

72. The Authority shall, in consultation with the Advisory
Board, issue guidelines in relation to the following matters
pertaining to interim awards under this Part of this Act:-

- (a) the form and manner of application for an interim
award;
- (b) the time within which an application may be made
for the payment of an interim award;
- (c) the circumstances under which an interim award
may be paid;
- (d) the procedure and manner of payment of an interim
award;
- (e) the conditions under which an interim award may
be made;
- (f) the circumstances under which an interim award
may be repaid;
- (g) the procedure for repayment of an interim award;
and
- (h) the circumstances under which an interim award
may be withheld or the amount of award reduced.

73. (1) A person shall not be entitled to receive any compensation from a court or an interim award from the Authority under this Act, if-

Non-entitlement for compensation or interim award

- (a) it is established that the act constituting the alleged offence -
 - (i) has not occurred;
 - (ii) is not covered under the criminal law; or
 - (iii) has been committed in self defence against an attack by the victim of crime;
- (b) the victim of crime is proved to be a member of an organized criminal group, at the time of or after, the commission of the offence; or
- (c) at the end of or during the course of proceedings, as the case may be, the victim of crime is found to be guilty of any offence specified in the Second Schedule to this Act.

(2) Only a Sri Lankan citizen shall be eligible to make a claim for and receive an interim award from the Authority under this Act.

74. (1) The Minister shall, in consultation with the Authority, appoint an Advisory Board on Awards (in this Act referred to as the “Advisory Board”), to make recommendations to the Authority on the payment of any interim award of money under section 67.

Advisory Board on Awards

(2) The Advisory Board shall consist of-

- (a) a retired Judicial Officer, appointed by the Minister;

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- (b) a representative of the Ministry of the Minister assigned the subject of Finance, not below the rank of Senior Assistant Secretary, nominated by the Secretary to such Ministry;
- (c) a representative of the Ministry of the Minister assigned the subject of Justice, not below the rank of Senior Assistant Secretary, nominated by the Secretary to such Ministry;
- (d) a representative of the Auditor-General, nominated by the Auditor-General; and
- (e) an attorney-at-law having not less than twenty years of experience in the field of Law of Delict, appointed by the Minister.

Chairman of
Advisory Board

75. (1) The Minister shall appoint the retired Judicial Officer referred to in paragraph (a) of subsection (2) of section 74 as the Chairman of the Advisory Board.

(2) The Chairman of the Advisory Board shall be appointed for a period of three years and shall be eligible for re-appointment.

(3) The Chairman of the Advisory Board may, at any time, resign from the office by a letter addressed to the Minister and such resignation shall take effect upon it being accepted by the Minister in writing.

(4) Where the Chairman of the Advisory Board is, by reason of illness or absence from Sri Lanka, temporarily unable to perform the duties of his office, the Minister shall appoint another member of the Advisory Board to act in his place.

(5) The Minister may, for reasons assigned, remove the Chairman of the Advisory Board from the office of Chairman.

76. A person shall be disqualified from being appointed or continuing as a member of the Advisory Board, if such person –

Disqualifications for being a member of the Advisory Board

- (a) is or becomes, a member of Parliament, a Provincial Council or any local authority;
- (b) is not, or ceases to be, a citizen of Sri Lanka;
- (c) is, under any law in force in Sri Lanka or in any other country, found or declared to be of unsound mind; or
- (d) is serving or has served, a sentence of imprisonment imposed by any court in Sri Lanka or any other country.

77. (1) A member of the Advisory Board may, at any time, resign from his office by letter to that effect addressed to the Minister and such resignation shall take effect upon it being accepted in writing by the Minister.

Resignation and removal of a member of the Advisory Board

(2) The Minister may, for reasons assigned, by Order published in the *Gazette*, remove a member of the Advisory Board from office in consultation with any person who nominated such member to the Advisory Board under subsection (2) of section 74 of this Act, if he is found guilty of-

- (a) misconduct in the performance of his duties; or
- (b) an offence involving fraud or dishonesty.

(3) A member of the Advisory Board who is removed from office under subsection (2), shall cease to hold office from and after the date of publication of such Order in the *Gazette*.

(4) In the event of any member of the Advisory Board vacating office by death, resignation or removal from office, the Minister shall, having regard to the provisions of subsection (2) of section 74, appoint another person to succeed such member.

(5) The member appointed under subsection (4) shall hold office for the unexpired period of the term of office of the member whom he succeeds.

(6) Where any member of the Advisory Board, by reason of illness, infirmity or absence from Sri Lanka for a period of not less than three months, is temporarily unable to perform the duties of the office, such member shall inform the Minister in writing, of such inability. Thereupon, the Minister may, having regard to the provisions of subsection (2) of section 74, appoint another person to act in his place for such period.

Term of office
of a member of
the Advisory
Board

78. Every member of the Advisory Board shall, unless such member vacates office earlier by death, resignation or removal, hold office for a term of three years from the date of his appointment and shall, unless he has been removed from office, be eligible for re-appointment.

Remuneration of
members

79. The members of the Advisory Board may be paid such remuneration out of the Fund of the Authority, at such rates as may be determined by the Minister in consultation with the Minister assigned the subject of Finance.

Meetings of
the Advisory
Board

80. (1) The Chairman of the Advisory Board shall, if present, preside at every meeting of the Advisory Board. In the absence of the Chairman from any such meeting, the members present shall elect one of the members present, to preside at such meeting.

(2) The quorum for any meeting of the Advisory Board shall be three members.

(3) The Chairman or the member presiding at any meeting of the Advisory Board may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

(4) All matters for decision by the Advisory Board shall be dealt with at a meeting of the Advisory Board and shall be determined by the majority of the members present and voting.

(5) In the event of an equality of votes on any matter considered at a meeting of the Advisory Board, the Chairman or the member presiding at such meeting shall have a casting vote in addition to his original vote.

(6) Subject to the preceding provisions of this section, the Advisory Board may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

81. No act, decision or proceeding of the Advisory Board shall be deemed to be invalid by reason only of the existence of any vacancy therein, or any defect in the appointment of any member thereof.

Any act not invalidated by reason of a vacancy in the Advisory Board

PART X

TESTIMONY THROUGH CONTEMPORANEOUS AUDIO-VISUAL LINKAGE

82. (1) Notwithstanding anything to the contrary in any other written law, any victim of crime, witness or law enforcement authority who wishes to-

Contemporaneous audio-visual linkage

(a) give evidence;

(b) obtain evidence; or

(c) make a statement,

as the case may be, in relation to any investigation, inquiry or proceedings conducted by any court or Commission, may make an application to such court or Commission to give or obtain such evidence or make such statement through contemporaneous audio-visual linkage from a remote location within or outside Sri Lanka.

(2) (a) Upon receipt of an application under subsection (1), the court or Commission may, in the best interests of justice and as a measure of protection to be afforded to a victim of crime or witness, and subject to the provisions of sections 84 and 85, permit such victim of crime, witness or law enforcement authority to give or obtain such evidence or make such statement, as the case may be, by using contemporaneous audio-visual linkage between such court or Commission and a specified remote location within or outside Sri Lanka (in this Act referred to as a “remote location”) as deemed appropriate.

(b) Where an application is made under subsection (1), it shall be competent for the court or Commission to hold or authorise the holding of an identification parade under section 124 of the Code of Criminal Procedure Act through contemporaneous audio-visual linkage from a remote location.

(3) The court or Commission may, on its own motion based on the attendant circumstances, obtain and record any evidence or statement of any victim of crime or witness through contemporaneous audio-visual linkage between the court or Commission and such remote location as may be determined by such court or Commission, subject to the provisions of sections 84 and 85.

(4) Where the court or Commission grants permission to give or obtain any evidence or make any statement, or decides to obtain and record any evidence or statement under

subsection (2) or (3), as the case may be, the Authority shall, at the request of such court or Commission, to the greatest extent possible, ensure provision of financial and other resources that may be necessary to establish and maintain an effective linkage, subject to the availability of its resources.

83. (1) (a) Where a victim of crime or witness intends to make an application under subsection (1) of section 82 to give evidence or make a statement through contemporaneous audio-visual linkage from-

Supporting an application and giving notice of an application

- (i) a remote location within Sri Lanka, such application shall be supported before the court or Commission at least thirty days before such evidence or statement is required to be given or made, as the case may be;
- (ii) a remote location outside Sri Lanka, such application shall be supported before the court or Commission at least sixty days before such evidence or statement is required to be given or made, as the case may be.

(b) Where a law enforcement authority intends to make an application under subsection (1) of section 82, such law enforcement authority shall, before making the application to the relevant court or Commission, make an application to the Magistrate's Court having jurisdiction for permission for such purpose.

(2) Where any victim of crime, witness or law enforcement authority intends to make an application under subsection (1) of section 82, such victim of crime, witness or law enforcement authority shall, before making such application, give reasonable prior notice of such application to the Attorney-General and all relevant parties to such investigation, inquiry or proceedings:

Provided however, if, during the course of an investigation conducted in terms of Chapter XI of the Code of Criminal Procedure Act, an accused has not yet been identified or named, or an accused cannot be found or absconding, or if it is necessary to maintain the confidentiality of the investigation, a statement of a victim of crime or witness may be recorded by any law enforcement authority without giving notice to any party, with the permission of the court or Commission. Where the accused is identified, named, found or arrested, such law enforcement authority shall disclose the availability of such statement to the accused and provide a transcript of such statement or a data storage device containing such statement to him prior to the commencement of the trial.

(3) The Attorney-General or any party who receives notice of an application referred to in subsection (2), may make his representations to the court or Commission before which the investigation, inquiry or proceeding is to be conducted, within fifteen working days of the receipt of the notice of such application, and such court or Commission shall make and notify its decision on such representations along with the reasons therefor, within fifteen working days of the receipt of such representations.

(4) Where any victim of crime, witness or law enforcement authority no longer requires to give, obtain or make such evidence or statement, as the case may be, through contemporaneous audio-visual linkage from a remote location, such victim of crime, witness or law enforcement authority shall notify such fact in writing to the Registrar or the Secretary, as the case may be, of the respective court or Commission.

Court or
Commission to
be satisfied with
technical and
other
requirements

84. A court or Commission may permit to give or obtain any evidence or make any statement, or obtain and record any evidence or statement through contemporaneous audio-visual linkage from a remote location, only if it is satisfied that the technical requirements specified below are met: -

- (a) the premises in which the court or Commission sits and the remote location are equipped with adequate facilities that-
 - (i) enable the persons who are directly relevant to the proceedings and present at such premises, to see and hear the persons who are directly relevant to the proceedings and present at such remote location; and
 - (ii) enable the persons who are directly relevant to the proceedings and present at such remote location, to see and hear the persons who are directly relevant to the proceedings and present at such premises;
- (b) any requirement that may be prescribed by rules of the court or Commission, for or with respect to -
 - (i) the form of audio-visual linkage;
 - (ii) the equipment or class of equipment used to establish the linkage;
 - (iii) the layout of cameras;
 - (iv) the standard or speed of transmission;
 - (v) the quality of communication; and
 - (vi) any other matter relating to the linkage; and
- (c) any other requirement that the presiding judge, Magistrate, or Commission may deem necessary:

Provided however, the requirements that may be imposed by the presiding judge, Magistrate or Commission under this paragraph shall not be inconsistent with any provision contained in this section.

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Court or
Commission to
satisfy itself of
accuracy of the
linkage, &c.

85. (1) A court or Commission, prior to commencing the recording of evidence or statement of a victim of crime or witness through contemporaneous audio-visual linkage from any remote location, shall, on the day and at the time fixed for such purpose-

- (a) satisfy itself that such contemporaneous audio-visual linkage is technically accurate and reliable; and
- (b) ensure that a judicial officer or public officer who shall be designated by such court or Commission is present at such remote location.

(2) The court or Commission may require the judicial officer or public officer designated under paragraph (b) of subsection (1) to-

- (a) interview, before or after recording of statement, the victim of crime or witness and any other person directly relevant to the proceedings and present at such remote location; and
- (b) submit a report along with his observations, to such court or Commission stating whether the victim of crime or witness is or was making the statement voluntarily and without any coercion, duress or influence or as a result of any reward or gratification,

and such officer shall comply with such requirement.

(3) For the purposes of this section, “public officer” includes an officer serving in the Sri Lanka Foreign Service.

An accused’s
right to a fair
trial

86. A court or Commission shall, before granting permission to a victim of crime, witness or law enforcement authority, to give or obtain evidence, or to make a statement, as the case may be, through contemporaneous audio-visual

linkage from a remote location under this Act, determine whether the obtaining and recording of such evidence or statement through such means from such location-

- (a) serves the best interests of justice; and
- (b) would not be detrimental to the right of an accused to a fair trial.

87. Where any evidence or statement of any victim of crime or witness is to be given or obtained or made from any remote location outside Sri Lanka under this Act, it shall be so given or obtained or made through contemporaneous audio-visual linkage from the Sri Lankan diplomatic mission in the country from where such evidence or statement is to be given or obtained or made.

Sri Lankan
diplomatic
mission to be the
remote location
outside Sri
Lanka

88. The court or Commission may, in the best interest of justice and for reasons to be recorded, make an order varying or revoking a permission granted to record evidence or statement in relation to any proceedings through contemporaneous audio-visual linkage from a remote location, with notice to the relevant parties to such proceedings.

Order to vary or
revoke
permission for
audio-visual
linkage

89. (1) A victim of crime or witness giving evidence or making a statement through contemporaneous audio-visual linkage from a remote location under this Part of this Act shall be deemed for all purposes to be a victim of crime or witness giving evidence or making a statement before the court.

A witness
deemed to be a
witness of the
court

(2) For the purposes of this Part of this Act, “court” means a court before which any criminal proceedings are being conducted.

PART XI

FINANCE

Fund of the
Authority

- 90.** (1) The Authority shall have its own Fund.
- (2) There shall be paid into the Fund of the Authority-
- (a) all such sums of money as may be voted upon from time to time by Parliament for the use of the Authority; and
- (b) all such sums of money as may be received by the Authority by way of gifts, donations, contributions, bequests or grants from any source within or outside Sri Lanka.
- (3) There shall be paid out of the Fund of the Authority all such sums of money required to defray the expenditure incurred by the Authority in the exercise, performance and discharge of its powers, duties and functions under this Act.

Protection Fund

- 91.** (1) There shall be a fund called the Victims of Crime and Witnesses Assistance and Protection Fund (in this Act referred to as the "Protection Fund").
- (2) The Protection Fund shall be administered and managed by the Authority.
- (3) There shall be paid into the Protection Fund –
- (a) all such sums of money as may be voted upon from time to time by Parliament for such Protection Fund;
- (b) all such sums of money as may be received by the Authority to be remitted to the Protection Fund by way of gifts, donations, contributions, bequests or grants from any source within or outside Sri Lanka; and

(c) all such sums of money remitted by a court under subsection (1) of section 65.

(4) There shall be paid out of the Protection Fund all such sums of money as may be determined by the Authority for the payment of -

- (a) compensation to victims of crime for any injury caused to them;
- (b) interim awards of money granted to victims of crime under section 70; and
- (c) compensation to dependent family members, dependent next of kin and any other person dependent on a victim of crime who has died or been physically or mentally incapacitated as a result of being a victim of crime.

(5) The Director-General shall be the principal accounting officer of the Protection Fund and shall cause proper books of accounts to be kept of the income and expenditure and assets and liabilities of the Protection Fund.

92. (1) The financial year of the Authority shall be the calendar year.

Financial year
and audit of
accounts

(2) The Board shall cause proper books of accounts to be kept of the income, expenditure, assets and liabilities and all other financial transactions of the Authority.

(3) The provisions of Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to and in relation to the audit of the accounts of the Fund of the Authority and the Protection Fund.

(4) The provisions of Part II of the Finance Act, No. 38 of 1971 shall, *mutatis mutandis* apply to the financial control and accounts of the Fund of the Authority and the Protection Fund.

PART XII

GENERAL

Annual report

93. (1) The Authority shall, within six months of the end of each financial year, submit to the Minister an annual report of the activities carried out by the Authority during that financial year and cause a copy of each of the following documents relating to that year to be attached to the report:-

- (a) the audited accounts of the Authority for the year along with the Auditor-General's report; and
- (b) a report of proposed activities for the year immediately following the year to which such report and accounts relate, including proposals for necessary policy and legislative reforms.

(2) The Minister shall lay copies of the report and documents submitted under subsection (1) before Parliament, within two months from the date of receipt thereof.

Interference in the exercise of powers, &c.

94. Any person who, without lawful authority, interferes or obstructs or attempts to interfere or obstruct any court, Commission, the Authority, Board, Protection Division, Advisory Board, law enforcement authority or any public or judicial officer, in the exercise, performance or discharge of any power, duty or function under this Act, commits an offence under this Act and shall, on conviction by the High Court, be liable to a fine not exceeding three hundred thousand rupees or to imprisonment of either description for a period not exceeding five years or to both such fine and imprisonment.

Offences by a body of persons

95. Where an offence under this Act is committed by a body of persons, then, if that body of persons is—

- (a) a body corporate, then every person who, at the time of the commission of the offence, was a director, manager, officer or servant of such body corporate;
- (b) a firm, then every person who was a partner of that firm and its chief executive officer, at the time of the commission of the offence;
- (c) an unincorporated body other than a firm, then every individual who was a member of such body and every officer who was responsible for the management and control of such body, at the time of the commission of the offence; or
- (d) a local authority or any other authority appointed by or under any law relating to a local authority to act on behalf of such local authority, then the person who was the Chairman of such authority, at the time of the commission of the offence,

shall be deemed to have committed that offence, unless such person, individual, officer or Chairman, as the case may be, proves to the satisfaction of the court that the offence was committed without his knowledge or that such person exercised all due diligence to prevent the commission of that offence.

96. (1) No person shall, in any proceedings, be compelled to divulge whether a victim of crime or witness is receiving or has received assistance or protection under this Act, unless it becomes necessary for the purpose of giving effect to the provisions of this Act or any other written law. Secrecy

(2) No person shall, otherwise than for the purpose of giving effect to the provisions of this Act or in compliance with the provisions of any other written law, divulge to any other person whether a victim of crime or witness is receiving or has received assistance or protection under this Act.

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Assessment of
credibility of a
testimony

97. In assessing the credibility of a testimony given by a victim of crime or witness in any court or Commission, the fact that a victim of crime or witness is receiving or has received any assistance or protection under this Act, shall not be relevant.

Officers and
other employees
of the Authority
deemed to be
public servants

98. The Members of the Board, the Director-General and all other officers and employees of the Authority, and consultants and advisors appointed by the Authority shall be deemed to be public servants within the meaning and for the purposes of the Penal Code (Chapter 19) and of the Code of Criminal Procedure Act.

Officers of the
Authority to be
peace officers

99. Every officer of or above the rank of Assistant Director of the Authority shall be a peace officer for the purposes of the Code of Criminal Procedure Act.

Authority
deemed to be a
Scheduled
Institution
within the
meaning of the
Anti-Corruption
Act

100. The Authority shall be deemed to be a Scheduled Institution within the meaning of the Anti-Corruption Act, No. 9 of 2023, and the provisions of that Act shall be construed accordingly.

Rules

101. (1) The Authority may make rules in respect of matters for which rules are required to be made under this Act including the following matters: -

- (a) terms and conditions of employment, remuneration and disciplinary control of officers and other employees of the Authority, and welfare and social security schemes for such officers and employees under section 52; and
- (b) ensuring the confidentiality of the affairs of the Protection Division and impartiality and accountability of the police officers of the Protection Division under section 54.

(2) Every rule made by the Authority under subsection (1) shall, as soon as may be practicable, be published in the *Gazette*.

102. (1) The Minister may make regulations under this Act in respect of all matters which are required by this Act to be prescribed or in respect of which regulations are authorised to be made under this Act. Regulations

(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 therein.

(3) (a) Every regulation made by the Minister shall, within three months after its publication in the *Gazette*, be brought before Parliament for approval.

(b) 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.

(4) Notification of the date on which any regulation made by the Minister is deemed to be so rescinded shall be published in the *Gazette*.

103. (1) The Assistance to and Protection of Victims of Crime and Witnesses Act, No. 4 of 2015 is hereby repealed. Repeal and savings

(2) Notwithstanding the repeal of the Assistance to and Protection of Victims of Crime and Witnesses Act, No. 4 of 2015 (in this section referred to as the “repealed Act”)-

(a) every appointed member of the Board of Management of the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act holding office on the day immediately preceding the appointed

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date shall, with effect from the appointed date, be deemed to be a member of the Board of Management of the Authority established under this Act and shall, unless he earlier resigns, dies or removed from office, continue to hold office as such member until the expiration of his term of office for which he has been appointed;

- (b) all employees who were in the employment of the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be employees of the Authority established under this Act;
- (c) all suits, prosecutions, actions, proceedings, matters or things which have been instituted by or against the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act and which are pending on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be suits, prosecutions, actions, proceedings, matters or things which have been instituted by or against the Authority established under this Act;
- (d) any decree, order or award entered or made in favour of or against the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act by any court or tribunal or other body in any action, matter, proceeding or thing shall, with effect from the appointed date, be deemed to be a decree, order or award entered or made in favour of or against the Authority established under this Act and may be enforced accordingly;

- (e) all property movable or immovable, belonging to the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act on the day immediately preceding the appointed date shall, with effect from the appointed date, vest in and be deemed to be the property of the Authority established under this Act;
- (f) all monies lying to the credit of the Victims of Crime and Witnesses Assistance and Protection Fund established under the repealed Act on the day immediately preceding the appointed date, shall, with effect from the appointed date, stand transferred to the Protection Fund established under this Act;
- (g) all monies lying to the credit of the Fund of the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act on the day immediately preceding the appointed date, shall, with effect from the appointed date, stand transferred to the Fund of the Authority established under this Act;
- (h) all contracts and agreements entered into by and with the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act and subsisting on the day immediately preceding the appointed date, shall be deemed to be contracts and agreements entered into by and with the Authority established under this Act; and
- (i) all debts, obligations and liabilities of the National Authority for the Protection of Victims of Crime and Witnesses established under the repealed Act and subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be debts, obligations and liabilities of the Authority established under this Act.

Interpretation

104. In this Act, unless the context otherwise requires—

“child victim of crime” and “child witness” respectively mean, a person who is less than eighteen years of age and who is either a victim of crime or is a witness;

“Code of Criminal Procedure Act” means the Code of Criminal Procedure Act, No. 15 of 1979;

“Commission” includes-

- (a) a Commission of Inquiry appointed under the Commissions of Inquiry Act (Chapter 393);
- (b) a Special Presidential Commission of Inquiry established under the Special Presidential Commissions of Inquiry Law, No. 7 of 1978;
- (c) the Commission to Investigate Allegations of Bribery or Corruption established by the Anti-Corruption Act, No. 9 of 2023;
- (d) the Human Rights Commission of Sri Lanka established by the Human Rights Commission of Sri Lanka Act, No. 21 of 1996; and
- (e) any other Commission empowered by law to conduct inquiries;

“ICCPR Act” means the International Covenant on Civil and Political Rights Act, No. 56 of 2007;

“injury” means any harm whatever illegally caused to the body, mind, reputation or property of any person and includes any impairment or disability, emotional suffering, economic or other loss caused as a result of an act or omission constituting an alleged-

- (a) offence under any law;
- (b) infringement of any fundamental right guaranteed under Article 11 or paragraph (1) or (2) of Article 13 of the Constitution; or
- (c) violation of any right granted under the ICCPR Act;

“law enforcement authority” means a police officer or any other person authorised by or under any written law to investigate into the commission of an offence;

“Minister” means the Minister assigned the subject of Justice;

“organised criminal group” means a group of persons who have organised themselves to commit crime;

“public authority” means any authority, corporation, board or other body established by or under any written law other than the Companies Act, No. 07 of 2007 with funds or capital wholly or partially provided by the Government by way of grant, loan or otherwise;

“relevant authority” means a law enforcement authority or public authority which lawfully interacts with the victim of crime or witness depending on the circumstances of each case;

“restorative justice” means the evolvement of a procedure through which all parties to a dispute would be engaged in a conciliatory process for the purpose of achieving the goals of justice;

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“victim of crime” means a person who has suffered any injury and includes, where appropriate-

- (a) a member of the family of the victim of crime or a dependent of the victim of crime;
- (b) a person of significant importance to a victim of crime;
- (c) a person who suffers injury in intervening to assist a victim of crime;
- (d) a person who suffers injury in preventing another person from victimization; and
- (e) a child victim of crime; and

“witness” means any person who-

- (a) has provided any information or lodged a complaint with any law enforcement authority and based upon such information or complaint, an investigation or inquiry is likely to commence or has commenced, in connection with the alleged commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act;
- (b) has provided any information or made a statement in the course of an investigation or inquiry conducted by a law enforcement authority into the alleged commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act;
- (c) has made a statement, submitted an affidavit or has testified, in relation to a complaint made by a victim of crime or in any legal action instituted by, or on behalf, of a victim of crime;

- (d) has provided any information or communication to a Commission or has given evidence before a Commission;
- (e) has reasonable grounds to believe that he may be summoned by a court or Commission to participate in any manner in any proceedings, investigation or inquiry against any other person based on any information provided or a statement made to a law enforcement authority, court or Commission, or based on a deposition or an affidavit submitted by him;
- (f) has received summons from a court or Commission to make a statement, submit an affidavit, testify or produce any document, report or object relating to any proceedings before such court or Commission; or
- (g) being a public officer, has been involved in any manner in the administration of justice in relation to the alleged commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act,

and includes-

- (i) a victim of crime;
- (ii) a child witness;
- (iii) a parent or guardian of a child witness;
- (iv) a family member or a dependent, of such witness;
- (v) any other person of significant importance to any witness;

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- (vi) an expert witness; and
- (vii) any person who has been summoned to testify before a court or Commission on behalf of a person suspected or accused of the alleged commission of an offence or infringement of any fundamental right or violation of any right granted under the ICCPR Act.

Sinhala text to prevail in case of inconsistency

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

FIRST SCHEDULE

(section 10)

PROCEDURE APPLICABLE FOR THE INVESTIGATION AND INQUIRY OF COMPLAINTS ON VIOLATION OR DENIAL OF RIGHTS OR ENTITLEMENTS

1. (1) Every complaint received by the Authority under section 10 of this Act shall be categorized as follows: -

- (a) complaints regarding the violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness under this Act which shall be dealt with by the Authority;
- (b) complaints regarding the commission of an offence under this Act which shall be referred to the Protection Division; and
- (c) matters on which no action is required to be taken in terms of this Act.

(2) Any decision under sub-paragraph (1)(c) shall be taken with the approval of the Director (Legal) of the Authority (in this Schedule referred to as the "Director (Legal)", who shall be appointed by the Authority.

(3) The Authority shall formulate a procedure for dealing with complaints within a specified time period, and such procedure shall be published in the *Gazette*.

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2. An investigation or inquiry into any complaint referred to in paragraph 1(1)(a) of this Schedule shall be carried out by an officer of the Authority who shall be nominated by the Director (Legal).

3. The officer referred to in paragraph 2 of this Schedule shall have the powers set out in paragraph (b) of subsection (1) of section 41 of this Act.

4. (1) The officer carrying out the investigation or inquiry shall take notes of the investigation or inquiry in writing and shall arrive at a finding within a period of four weeks whether-

(a) the evidence discloses a violation or denial, or imminent violation or denial, of any right or entitlement of the victim of crime or witness; or

(b) the evidence is not sufficient to substantiate the complaint.

(2) Where the investigation or inquiry cannot be concluded within a period of four weeks, such officer shall obtain permission from the Director (Legal) for an extension of time.

5. (1) Where the officer carrying out the investigation or inquiry arrives at a finding that there has been a violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness, he shall submit a report to the Director (Legal) with his recommendations along with any material used during the course of the investigation or inquiry and the notes of evidence.

(2) Where such officer arrives at a finding that the evidence is insufficient to proceed with the investigation or inquiry, he shall stop the investigation or inquiry with the approval of the Director (Legal) and the Director-General.

6. The Director (Legal) shall consider the report of the investigation or inquiry received by him under paragraph 5 of this Schedule and direct the relevant persons to remedy or redress the violation or denial, or imminent violation or denial, of the right or entitlement complained of and such persons shall comply with such direction within the time specified in the direction.

7. (1) Where the relevant matter cannot be resolved by way of directions or, where the directions are not complied with, the Director (Legal) shall, in consultation with the Director-General, report such fact to the Board and request the Board to appoint a Panel to conduct an investigation or inquiry into the matter.

(2) Upon receipt of such request, the Board shall appoint, by consensus, a Panel consisting of three members of the Board and nominate one of the members of the Panel to be its Chairman.

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(3) The Panel conducting an investigation or inquiry into an alleged violation or denial, or imminent violation or denial, of any right or entitlement of a victim of crime or witness shall have the powers set out in paragraph (b) of subsection (1) of section 41 of this Act.

(4) In the case of a division of opinion among the members of the Panel regarding any matter being investigated or inquired into by it, the opinion of the majority of the members shall prevail.

(5) At the conclusion of the investigation or inquiry under this paragraph, the Panel shall submit a report on the same along with its recommendations, to the Board.

(6) On receipt of the report of the Panel, the Board shall take such action on the matter as it shall deem fit and appropriate.

SECOND SCHEDULE

(sections 29, 30, 31 and 73)

Offences in relation to which protection to victims of crime and witnesses is to be provided by the Authority or Protection Division

	<i>Act</i>	<i>Section</i>	<i>Offence</i>
1	Penal Code (Chapter 19)	296	murder
2		297	culpable homicide not amounting to murder
3		300	attempt to murder
4		316	voluntarily causing grievous hurt
5		354	kidnapping
6		355	kidnapping or abducting in order to murder
7		356	kidnapping or abducting with intent secretly and wrongfully to confine a person
8		357	kidnapping or abducting a woman to compel her marriage, &c.

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	<i>Act</i>	<i>Section</i>	<i>Offence</i>
9		358	kidnapping or abducting in order to subject a person to grievous hurt, slavery, &c.
10		360	kidnapping or abducting a child with intent to steal movable property from the person of such child
11		360A	procuration
12		360B	sexual exploitation of children
13		360c	trafficking
14		362A	cohabitation caused by a man deceitfully inducing a belief of lawful marriage
15		362B	bigamy
16		362c	bigamy with concealment of the former marriage
17		362D	going through marriage ceremony with fraudulent intention without lawful marriage
18		364	rape
19		364A	incest
20		365B	grave sexual abuse
21		373	extortion
22		374	putting or attempting to put a person in fear of injury, in order to commit extortion
23		375	extortion by putting a person in fear of death or grievous hurt
24		376	putting or attempting to put a person in fear of death or grievous hurt in order to commit extortion
25		377	extortion by threat of accusation of an offence punishable with death or imprisonment for ten years

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	<i>Act</i>	<i>Section</i>	<i>Offence</i>
26		378	putting a person in fear of accusation of an offence punishable with death or with imprisonment for ten years, in order to commit extortion
27		380	robbery
28		381	attempt to commit robbery
29		382	voluntarily causing hurt in committing or attempting to commit robbery
30		383	robbery, with attempt to cause death or grievous hurt
31		384	attempt to commit robbery when armed with deadly weapon
32		385	belonging to a wandering gang of persons associated for the purpose of habitually committing theft
33		418	mischief by fire or explosive substance, with intent to cause damage of an amount of one hundred rupees or upwards
34		419	mischief by fire or explosive substance with intent to destroy a house, &c.
35		420	mischief with intent to destroy or make unsafe a decked vessel or vessel of a burden of ten tons or upwards
36		421	mischief referred to in section 420 when committed by fire or any explosive substance
37		435	house-trespass in order to commit an offence punishable with death
38		437	house-trespass in order to commit an offence punishable with imprisonment for less than ten years

Assistance to and Protection of Victims of Crime and Witnesses Act, No. 10 of 2023 91

	<i>Act</i>	<i>Section</i>	<i>Offence</i>
39		438	house-trespass, having made preparation for causing hurt, assault, &c.
40		440	lurking house-trespass or house-breaking in order to commit an offence punishable with imprisonment
41		441	lurking house-trespass or house-breaking after preparation made for causing hurt, assault, &c.
42		444	lurking house-trespass or house-breaking by night after making preparation for causing hurt, &c.
43		445	grievous hurt caused whilst committing lurking house-trespass or house-breaking
44	Anti-Corruption Act, No. 9 of 2023	93	bribery of Judges of the Supreme Court, Court of Appeal, High Courts, judicial officers and Members of Parliament
45		94	acceptance of gratification by Members of Parliament for interviewing public officials
46		96	bribery of police officers, peace officers and other public officials
47		97	bribery for giving assistance or using influence with regard to contracts
48		98	bribery for procuring withdrawal of tenders
49		99	bribery in respect of Government business
50		100	bribery in connection with payment of claims, appointments, employments, grants, leases, and other benefits

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Crime and Witnesses Act, No. 10 of 2023*

	<i>Act</i>	<i>Section</i>	<i>Offence</i>
51		101	bribery of public officers by persons having dealings with the Government
52		102	bribery of a member of local authority, or of a scheduled institution, or of a governing body of a scheduled institution, and bribery of official of a local authority or of a scheduled institution
53		103	use of threats or fraud to influence vote of a member of a local authority, or of a scheduled institution, or of a governing body of a scheduled institution
54		104	trading in influence
55		108	offences relating to sporting events
56		111	corruption
57		125	obstructing justice
58	Poisons, Opium and Dangerous Drugs Ordinance (Chapter 218)	54A	manufacture, trafficking, import or export and possession of dangerous drugs
59		54B	abetting the commission of, or attempting to commit, an offence under section 54A
60	Prevention of Terrorism, (Temporary Provisions) Act, No. 48 of 1979	2	causing death, &c of a specified person or witness, criminal intimidation, mischief to the Government property, &c
61		3	abetting, conspiring, attempting or inciting to commit an offence under the Act

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Crime and Witnesses Act, No. 10 of 2023

	<i>Act</i>	<i>Section</i>	<i>Offence</i>
62		12	contravention or breach of a prohibition or restriction order made under section 11 of the Act
63		24	committing an act constituting an offence under the Act in relation to a vessel or aircraft registered in Sri Lanka

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

**BETTING AND GAMING LEVY (AMENDMENT)
ACT, No. 11 OF 2023**

[Certified on 21st of August, 2023]

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Betting and Gaming Levy (Amendment)
Act, No. 11 of 2023

[Certified on 21st of August, 2023]

L.D.—O. 17/2022

AN ACT TO AMEND THE BETTING AND GAMING LEVY
ACT, NO. 40 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 Betting and Gaming Levy (Amendment) Act, No. 11 of 2023. Short title

2. Section 2 of the Betting and Gaming Levy Act, No. 40 of 1988 (hereinafter referred to as the “principal enactment”) as last amended by Act, No. 14 of 2015 is hereby further amended as follows: - Amendment of section 2 of Act, No. 40 of 1988

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

(a) in paragraph (a) of that subsection by the substitution for the words, “five *per centum*; or” of the words, “five *per centum*;”;

(b) in paragraph (b) of that subsection by the substitution for the words and figures, “on or after January 1, 2015, at the rate of ten *per centum*” of the words and figures, “on or after January 1, 2015 but ending prior to April 1, 2023 at the rate of ten *per centum*; or”;

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

“(c) for any year commencing on or after April 1, 2023, at the rate of fifteen *per centum*;”;

2 *Betting and Gaming Levy (Amendment)*
Act, No. 11 of 2023

- (d) in that subsection by the substitution for the words, “on the gross collection” of the words “on the gross collection (hereinafter referred to as the “gross collection levy”);
 - (e) in the first proviso to that subsection by the substitution for the words and figures, “Value Added Tax under the Value Added Tax Act, No. 14 of 2002 or the Nation Building Tax under the Nation Building Tax Act, No. 9 of 2009,” of the words and figures, “Value Added Tax under the Value Added Tax Act, No. 14 of 2002, the Nation Building Tax under the Nation Building Tax Act, No. 9 of 2009 or the Social Security Contribution Levy under the Social Security Contribution Levy Act, No. 25 of 2022,”;
- (2) in subsection (1AA) of that section by the repeal of the words and figures from the words, “Every person” to the words, “any person who enters such place of business of gaming:” and substitution therefor of the following words and figures:-

“(1AA) Every person who carries on the business of gaming shall collect a levy (hereinafter referred to as the “casino entrance levy”) and pay such levy to the Commissioner General in accordance with the provisions of paragraph (b) of subsection (1B) of this section for each relevant instalment specified under section 4 as follows, for any period:-

- (a) commencing on or after January 1, 2015 but ending prior to April 1, 2023 a casino entrance levy of United States Dollars one hundred or its equivalent in any other convertible foreign currency or in Sri Lanka currency from any person who enters such place of business of gaming; and

- (b) commencing on or after April 1, 2023 a casino entrance levy of United States Dollars fifty or its equivalent in any other convertible foreign currency or in Sri Lanka currency from any person who is a citizen of Sri Lanka who enters such place of business of gaming:”;
- (3) in subsection (1B) of that section-
- (a) by the substitution for the words, “Every person who is liable to pay the levy under subsection (1A) and subsection (1AA),” of the words, “Every person who is liable to pay the gross collection levy under subsection (1A) and every person who is liable to collect and pay the casino entrance levy under subsection (1AA),”;
- (b) in paragraph (b) of that subsection by the substitution for the words, “remit the levies” of the words, “pay to the Commissioner-General the levies”;
- (4) by the repeal of subsection (1C) of that section and the substitution therefor, of the following subsection: -
- “(1C) (a) Where any person who is liable to pay the levies referred to in subsections (1) and (1A) and collect and pay the casino entrance levy referred to in subsection (1AA), fails to collect and pay such levies charged, the provisions of subsections (2), (3), (4), (5), (5A) and (6) of section 4, as applicable, shall apply in respect of such failure; and
- (b) The manner and the procedure relating to the collection and payment of the levy under subsection (1AA) may be prescribed by the Minister.”.

4 *Betting and Gaming Levy (Amendment)*
Act, No. 11 of 2023

Amendment of
section 2A of the
principal
enactment

3. Section 2A of the principal enactment is hereby amended as follows:-

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

“(1A) Every person who carries on the business of gaming referred to in subsection (1) of section 2 shall be entitled to obtain a license issued under section 2 of the Casino Business (Regulations) Act, No. 17 of 2010 and shall register with the Department of Inland Revenue within one month from the date of issuance of such license:

Provided however, any person who has obtained such license under section 2 of the Casino Business (Regulations) Act, No. 17 of 2010 for the business of gaming and has not registered with the Department of Inland Revenue before the date of operation of this Act, shall register with the Department of Inland Revenue within one month from such date of operation:

Provided further, for the purpose of this section the business of gaming shall involve providing gaming opportunities at a casino.

(1B) Every person who carries on the business of bookmaker referred to in subsection (1) of section 2 shall register with the Department of Inland Revenue within one month from the date of commencement of the business:

Provided however, any person who has commenced the business of bookmaker before the operation of this Act and has not registered with the Department of Inland Revenue shall register with the Department of Inland Revenue within one month from such date of operation.

- (2) in subsection (2) of that section by the substitution for the words “registered under subsection (1).” of the words, “registered under subsections (1), (1A) and (1B).”;
- (3) in subsection (3) of that section by the substitution for the words “subsection (1),” of the words “subsections (1), (1A) and (1B).”.

4. Section 4 of the principal enactment is hereby amended as follows:-

Amendment of
section 4 of the
principal
enactment

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

“(2) Where any person who is liable to pay the levies referred to in subsections (1), (1A) and collect and pay the casino entrance levy referred to in subsection (1AA) of section 2, fails to pay—

- (a) the levy on gross collection or part thereof referred to in subsection (1A) of that section, assessed by an Assistant Commissioner for any period, required to be paid on or before the date specified in the notice of assessment; or
- (b) any instalment of the levy or part thereof or the levy on gross collection or part thereof or to collect and pay the casino entrance levy, referred to in subsections (1), (1A) and (1AA) respectively on or before the dates specified in this Act,

such levy, instalment of the levy or part thereof specified under paragraph (a) or (b) shall be in default and such person who is liable to collect and pay such levies shall be a defaulter for the purposes of this Act.”;

6 *Betting and Gaming Levy (Amendment)*
Act, No. 11 of 2023

- (2) in subsection (3) of that section-
- (a) by the substitution for the words, “Where any instalment of the levy is in default and-” of the words and figures, “Where any instalment of the levy or part thereof or the gross collection levy or part thereof or the casino entrance levy, respectively referred to in subsections (1), (1A) and (1AA) of the section 2 is in default and –”;
 - (b) in paragraph (a) of that subsection by the substitution for the words, “the default is in respect of an instalment” of the words and figures, “the default is in respect of an instalment of the levy under subsection (1) of section 2”;
 - (c) in paragraph (b) of that subsection by the substitution for the words, “the default is in respect of an instalment” of the words and figures, “the default is in respect of an instalment of the levy under subsection (1) of section 2”;
- (3) by the insertion immediately after the proviso to paragraph (b) of subsection (3) of that section of the following new paragraph: -
- “(c) the default is in respect of levies payable under subsections (1A) and (1AA) of section 2, the defaulter shall in addition to the levy in default, pay-
- (i) a penalty of a sum equivalent to ten *per centum* of such levy; and
 - (ii) a further penalty of a sum equivalent to ten *per centum* of the levy in default in respect of each further period of thirty

days or part thereof, during which it remains in default where such levy is not paid before the expiry of thirty days, from the time it begins to be default:

Provided that, the total amount payable as a penalty under this paragraph shall in no case exceed fifty *per centum* of the levy in default.”;

- (4) in subsection (4) of that section, by the substitution for the words, “Any instalment in default together” of the words, “Any instalment of the levy or part thereof or the levy on gross collection or part thereof or the casino entrance levy, respectively referred to in subsections (1), (1A) and (1AA) of section 2, as the case may be, is in default together”;
- (5) by the insertion immediately after subsection (5) of that section of the following new subsection:-

“(5A) In addition to the provisions of subsection (5), the provisions of Chapter IX, X, XI, XII, XIII, XIV, XV, XVI, XVII, XVIII, XIX and XX of the Inland Revenue Act, No. 24 of 2017, for the relevant year of assessment commencing on or after April 1, 2018, relating respectively to Administration Provisions, Record Keeping and Information Collection, Tax Returns, Assessments, Objection and Appeals, Liability for and Payment of Tax, Interest, Recovery of Tax, Penalties, Criminal Proceedings, Regulations and Interpretation shall *mutatis mutandis* apply respectively to administration provisions, record keeping, and information collection, tax returns assessments, objection and appeals, liability for and payment of tax, interest, recovery of tax, penalties, criminal proceedings, regulations and interpretations under this Act.”;

8 *Betting and Gaming Levy (Amendment)
Act, No. 11 of 2023*

- (6) by the repeal of subsection (6) inserted by the Betting and Gaming Levy (Amendment) Act, No. 14 of 2015.

Amendment of section 5 of the principal enactment

5. Section 5 of the principal enactment is hereby amended in subsection (1) of that section as follows:-

- (1) in paragraph (a) of that subsection by the substitution for the words and figures, “section 190 of the Inland Revenue Act” of the words and figures, “section 38 of the Turnover Tax Act”;
- (2) in paragraph (c) of that subsection by the substitution for the words and figures, “section 214 or section 215 of the Inland Revenue Act” of the words and figures, “section 42 or section 43 of the Turnover Tax Act”;
- (3) in paragraph (d) of that subsection by the substitution for the words and figures, “section 209 of the Inland Revenue Act” of the words and figures, “section 57 of the Turnover Tax Act”;
- (4) in paragraph (e) of that subsection by the substitution for the words and figures, “section 209 of the Inland Revenue Act” of the words and figures, “section 57 of the Turnover Tax Act”.

Amendment of section 7 of the principal enactment

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

(1) by the repeal of the definition of the expressions “Commissioner-General” and “Deputy Commissioner”;

(2) by the repeal of the definition of the expression “bookmaker” and the substitution therefor of the following definition:-

“ “bookmaker” means a person who receives or negotiates bets –

(a) directly or indirectly;

(b) in cash or on credit; or

(c) via internet,

on horse races which are run or are proposed to be run or any sport event to be held or proposed to be held in Sri Lanka or outside Sri Lanka;”;

(3) by the insertion immediately after the definition of the expression “business” of the following definitions:-

“ “casino” shall have the same meaning assigned to such expression under the Casino Business (Regulations) Act, No. 17 of 2010;

10 *Betting and Gaming Levy (Amendment)*
Act, No. 11 of 2023

“citizen of Sri Lanka” means a person who possesses the status of a citizenship of Sri Lanka under the Citizenship Act (Chapter 349);

“Commissioner-General” and “Deputy Commissioner” shall have the same meanings assigned to such expressions by section 59 of the Turnover Tax Act;”;

- (4) in the definition of the expression “gaming” by the substitution for the words, “individual have access” of the words, “individual have access physically or *via* internet”.

Validation

7. The amount of the levy charged under subsection (1A) and charged and collected under subsection (1AA) of section 2 of the principal enactment by or on behalf of the Commissioner-General by any person authorized under the principal enactment from any person during the period commencing from April 1, 2023 and ending on the date on which the certificate of the Speaker is endorsed in respect of this Act, shall be deemed to have been validly charged and collected by the Commissioner-General or by any such person under the principal enactment:

Provided that, the aforesaid provisions shall not affect any decision or order made by any court or any proceeding pending in any Court in respect of any levy charged and collected during such period.

Replacement of the Schedule to the principal enactment

8. The Schedule to the principal enactment is hereby replaced and the following Schedule is substituted therefor:-

“SCHEDULE

[Section 2]

PART I

The amount of the levy payable by a person carrying on the business of a bookmaker for every year specified in Column I hereto, shall be equivalent to the amount specified in the corresponding entry in Column II hereto –

<i>Column I</i>	<i>Column II</i>
<i>Year</i>	<i>Amount of Levy</i>
1. For every year commencing on or after April 1, 1988 but prior to April 1, 2001 for carrying on the business of booker	One hundred thousand rupees
2. For every year commencing on or after April 1, 2001 but prior to April 1, 2002 for carrying on the business of bookmaker	One million rupees
3. For every year commencing on or after April 1, 2002 but prior to April 1, 2005 where the business of bookmaker is carried out– (i) with the use of live telecast facilities (ii) without the use of live telecast facilities	Thirty thousand rupees Ten thousand rupees
4. For every year commencing on or after April 1, 2005 but prior to April 1, 2006 where the business of bookmaker is carried out– (i) through an agent (ii) with the use of live telecast facilities	One million rupees Two hundred and fifty thousand rupees

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Act, No. 11 of 2023

<i>Column I</i>	<i>Column II</i>
<i>Year</i>	<i>Amount of Levy</i>
(iii) without the use of live telecast facilities	Twenty-five thousand rupees
5. For every year commencing on or after April 1, 2006 but prior to April 1, 2013 where the business of bookmaker is carried out—	
(i) through an agent	One million rupees
(ii) with the use of live telecast facilities	Three hundred thousand rupees
(iii) without the use of live telecast facilities	Fifty thousand rupees
6. For every year commencing on or after April 1, 2013 but prior to April 1, 2015 where the business of bookmaker is carried out—	
(i) through an agent	Two million rupees
(ii) with the use of live telecast facilities	Three hundred thousand rupees
(iii) without the use of live telecast facilities	Twenty-five thousand rupees
7. For every year commencing on or after April 1, 2015 but ending prior to April 1, 2023 where the business of bookmaker is carried out –	
(i) through an agent	Four million rupees
(ii) with the use of live telecast facilities	Six hundred thousand rupees
(iii) without the use of live telecast facilities.	Fifty-five thousand rupees

Betting and Gaming Levy (Amendment) Act, No. 11 of 2023 13

<i>Column I</i>	<i>Column II</i>
<i>Year</i>	<i>Amount of Levy</i>
8. For every year commencing on or after April 1, 2023 where the business of bookmaker is carried out—	
(i) through an agent or via internet with or without the use of live telecast facilities	Five million rupees
(ii) with the use of live telecast facilities	One million rupees
(iii) without the use of live telecast facilities	Seventy-five thousand rupees

PART II

The amount of the levy payable by a person carrying on the business of gaming for every year specified in Column I hereto, shall be equivalent to the amount specified in the corresponding entry in Column II hereto –

<i>Column I</i>	<i>Column II</i>
<i>Year</i>	<i>Amount of Levy</i>
1. For every year commencing on or after April 1, 1988 but prior to April 1, 2001 for carrying on the business of gaming	One million rupees
2. For every year commencing on or after April 1, 2001 but prior to April 1, 2002 for carrying on the business of gaming	Twenty-five million rupees
3. For every year commencing on or after April 1, 2002 but prior to April 1, 2005 for carrying on the business of—	
(i) gaming (other than for playing rudjino)	Twelve million rupees
(ii) only playing rudjino	Five hundred thousand rupees

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Act, No. 11 of 2023

<i>Column I</i>	<i>Column II</i>
<i>Year</i>	<i>Amount of Levy</i>
4. For every year commencing on or after April 1, 2005 but prior to April 1, 2013 for carrying on the business of gaming including playing rudjino.	Fifty million rupees
5. For every year commencing on or after April 1, 2013 but prior to April 1, 2015 for carrying on the business of gaming including playing rudjino.	One Hundred million rupees
6. For every year commencing on or after April 1, 2015 but ending prior to April 1, 2023 for carrying on the business of gaming including playing rudjino.	Two Hundred million rupees
7. For every year commencing on or April 1, 2023 for carrying on the business of gaming including playing rudjino.	Five hundred million rupees

Sinhala text to prevail in case of inconsistency.

9. 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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SRI LANKA**

**APPROPRIATION (AMENDMENT)
ACT, No. 12 OF 2023**

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Appropriation (Amendment)
Act, No. 12 of 2023

[Certified on 21st of August, 2023]

L.D.-O. 41/2023

AN ACT TO AMEND THE APPROPRIATION ACT, NO. 43 OF 2022

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 Appropriation (Amendment) Act, No. 12 of 2023.</p> | Short title |
| <p>2. Section 2 of the Appropriation Act, No. 43 of 2022 (hereinafter referred to as the “principal enactment”) is hereby amended as follows:—</p> <p>(1) in paragraph (b) of subsection (1) of that section, by the substitution for the words “rupees four thousand nine hundred seventy nine billion”, of the words “rupees thirteen thousand nine hundred seventy nine billion”; and</p> <p>(2) in subsection (4) of that section, by the substitution for the words “rupees four thousand two hundred twenty two billion two hundred thirty three million three hundred sixty two thousand”, of the words “rupees thirteen thousand two hundred twenty two billion two hundred thirty three million three hundred sixty two thousand”.</p> | Amendment of section 2 of Act, No. 43 of 2022 |
| <p>3. The <i>Capital Expenditure</i> Column of the Department of Treasury Operations appearing under the <i>Head No.</i> 249 of the Second Schedule to the principal enactment is hereby amended by the substitution for the figures “2,019,970,000,000” of the figures “11,019,970,000,000”.</p> | Amendment of the Second Schedule to the principal enactment |
| <p>4. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.</p> | Sinhala text to prevail in case of inconsistency |

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

**SRI LANKA INSTITUTE OF TAXATION
(INCORPORATION) (AMENDMENT)
ACT, No. 13 OF 2023**

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Sri Lanka Institute of Taxation
(Incorporation) (Amendment) Act, No. 13 of 2023

[Certified on 21st of August, 2023]

L.D.–O. (Inc.)–21/2022

AN ACT TO AMEND THE SRI LANKA INSTITUTE OF TAXATION
(INCORPORATION) ACT, NO. 21 OF 2000

WHEREAS the Sri Lanka Institute of Taxation was incorporated by the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000: Preamble

AND WHEREAS the Sri Lanka Institute of Taxation wishes to change its name and that certain amendments be made to the aforesaid Act for the purpose of more effectually carrying out the objects of the said Corporation:

AND WHEREAS the Sri Lanka Institute of Taxation has applied that amendments be made to the aforesaid Act 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 Sri Lanka Institute of Taxation (Incorporation) (Amendment) Act, No. 13 of 2023. Short title

2. In every context in which the Sri Lanka Institute of Taxation is mentioned in the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000 (hereinafter referred to as the “principal enactment”) or in any rule, notice or other document made or issued thereunder, there shall, unless the context otherwise requires, be substituted for the words “Sri Lanka Institute of Taxation” of the words “Chartered Institute of Taxation of Sri Lanka”. General amendment to the Act, No. 21 of 2000

3. Section 4 of the principal enactment is hereby amended as follows:— Amendment of section 4 of the principal enactment

(1) by the insertion immediately after paragraph (e) of that section of the following paragraph:—

“(ea) to formulate a welfare scheme for the benefit of the members of the Corporation in accordance with the rules made under section 8 of the Act;”;

- (2) by the repeal of paragraph (o) of that section and substitution therefor of the following paragraph:-

“(o) to appoint, employ, dismiss or terminate the services of officers and servants of the Corporation and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities in accordance with the rules made under section 8 of the Act;”.

Amendment
of section 6
of the
principal
enactment

4. Section 6 of the principal enactment is hereby amended as follows:-

- (1) in paragraph (b) of that section, by the substitution for the words “other publication acceptable to the Council;” of the words “other publication acceptable to the Council; or”; and

- (2) by the addition immediately after paragraph (b) of that section of the following new paragraph:-

“(c) a person who possesses any other qualification in the field of finance or taxation as may be specified by the rules made under section 8 of the Act.”.

Amendment
of section 8
of the
principal
enactment

5. Section 8 of the principal enactment is hereby amended in subsection (1) of that section as follows:-

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

“(a) the classification of membership, admission, withdrawal, expulsion or resignation of members and fees, payable by each class of members or for qualifying examinations or approved courses of study or any other services provided by the Corporation, under the provisions of the Act;”;

- (2) in paragraph (d) of that subsection by the substitution for the word “appointment,” of the words “the terms and conditions of the appointment;” and
- (3) by the insertion immediately after paragraph (d) of that subsection of the following paragraph:-

“(da) the qualifications and disqualifications to be a member of the Council and the Corporation;”.

6. Section 9 of the principal enactment is hereby repealed and the following section is substituted therefor:-

Replacement of section 9 of the principal enactment

“Use of letters or titles after name

9. Where any member of the Corporation is-

- (a) a fellow member, he shall be entitled to use after his name, the letters FCIT;
- (b) an associate member, he shall be entitled to use after his name, the letters ACIT;
- (c) an honorary fellow member, he shall be entitled to use after his name, the title Honorary FCIT; or

- (d) an honorary associate member, he shall be entitled to use after his name, the title Honorary ACIT.”.

Amendment of section 10 of the principal enactment

7. Section 10 of the principal enactment is hereby amended by the substitution for the words “use titles or letters after his name FTII (Sri Lanka) or Honorary ATII (Sri Lanka)” of the words “use titles or letters after his name FCIT, ACIT, Honorary FCIT or Honorary ACIT”.

Insertion of new section 13A in the principal enactment

8. The following new section is hereby inserted immediately after section 13 and shall have effect as section 13A of the principal enactment:-

“Members of the Council officers, and servants of the Corporation not to be liable for acts done in good faith

13A. The members of the Council, officers and servants of the Corporation shall not be liable for any act done or purported to be done or any omission made in good faith during the exercise, performance or discharge of their powers, duties or functions under this Act, provided that such immunity shall not extend to-

- (a) liability for a criminal offence under any written law for the time being in force;
- (b) any act done in contravention of the provisions of this Act, or any other applicable written law, or any regulation made thereunder.”.

Saving for contracts etc

9. (1) Every contract, agreement or other instrument or document whatsoever made, issued or executed prior to the date of commencement of this Act, and subsisting on that date by or in favour of the Sri Lanka Institute of Taxation shall be deemed, from and after the date of commencement of this Act, to be and to have been made, issued or executed by or in, favour of the Chartered Institute of Taxation of Sri Lanka.

Sri Lanka Institute of Taxation 5
(Incorporation) (Amendment) Act, No. 13 of 2023

(2) All suits, actions, appeals and other legal proceedings instituted by or against the Sri Lanka Institute of Taxation and pending on the day immediately prior to the date of the commencement of this Act, shall not abate or be discontinued, and may be continued or enforced by or against the Chartered Institute of Taxation of Sri Lanka.

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**INLAND REVENUE (AMENDMENT)
ACT, No. 14 OF 2023**

[Certified on 08th of September, 2023]

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*Inland Revenue (Amendment)
Act, No. 14 of 2023*

[Certified on 08th of September, 2023]

L.D.-O. 45/2023

AN ACT TO AMEND THE INLAND REVENUE ACT, NO. 24 OF 2017

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 Inland Revenue (Amendment) Act, No. 14 of 2023.

Short title
and the date
of operation

(2) The provisions of this Act shall be deemed to have come into operation on April 1, 2023.

2. The First Schedule to the Inland Revenue Act, No.24 of 2017 is hereby amended by the repeal of paragraph 8 of that Schedule and the substitution therefor, of the following paragraph: -

Amendment
of the First
Schedule to
Act, No. 24
of 2017

**“8. Tax rate for Employees’ Trust Funds,
Provident, Pension or Gratuity Funds and
Termination Funds.**

(1) The taxable income of the Employees’ Trust Fund, an approved provident or pension fund, or an approved termination fund for a year of assessment commencing on or prior to April 1, 2022 and for the first six months period of the year of assessment commencing on April 1, 2023 shall be taxed at the rate of 14%.

(2) Subject to subparagraphs (3) and (4), the taxable income of the Employees’ Trust Fund, an approved provident or pension fund or an approved termination fund for the second six months period of the year of assessment commencing on April 1, 2023 and for each year of assessment commencing on or after April 1, 2024, shall be taxed at the rate of 14%.

*Inland Revenue (Amendment)
Act, No. 14 of 2023*

(3) Such part of the gains and profits received or derived by the Employees' Trust Fund, an approved provident or pension fund or an approved termination fund from treasury bonds, for the second six months period of the year of assessment commencing on April 1, 2023 and for each year of assessment commencing on or after April 1, 2024, shall be taxed at the rate of 30%.

(4) Notwithstanding anything to the contrary in the provisions of subparagraph (3), if the Employees' Trust Fund, an approved provident or pension fund or an approved termination fund has invested in eligible bonds, and the Registrar of the Public Debt Department of the Central Bank of Sri Lanka confirms that any such fund has effectively participated in the process of domestic debt optimization approved by the Parliament by Resolution dated July 1, 2023, such part of the gains and profits received or derived by such funds from the treasury bonds, for the second six months period of the year of assessment commencing on April 1, 2023 and for each year of assessment commencing on or after April 1, 2024 shall be taxed at the rate of 14%.

(5) In this paragraph -

“approved termination fund” means any thrift, savings or building society or welfare fund to which contributions are made by employees only or, any gratuity fund approved by the Commissioner-General and maintained for the purpose of payment of gratuities to employees on the termination of their service, under the Payment of Gratuity Act, No. 12 of 1983;

“effectively participated” means the submission of offers by the Employees’ Trust Fund, an approved provident or pension fund or an approved termination fund for not less than 50% of the total holding of each series of eligible bonds maturing in the year 2023, and for 100% of the total holding of eligible bonds maturing in the calendar years 2024 to 2032 (both inclusive) and acceptance of such offers by the Registrar of the Public Debt Department of the Central Bank of Sri Lanka; and

“eligible bonds” means the treasury bonds applicable for the purposes of domestic debt optimization, issued under the Registered Stocks and Securities Ordinance (Chapter 420) that are-

- (a) maturing between June 28, 2023 and December 31, 2023 (excluding the treasury bonds maturing on July 15, 2023 and September 1, 2023); and
- (b) maturing in the calendar years 2024 to 2032 (both inclusive).

(6) Notwithstanding anything to the contrary in any other provision of this Act, where any fund referred to in this paragraph uses accounts based on an alternative period of twelve months for the

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*Inland Revenue (Amendment)
Act, No. 14 of 2023*

computation of the income tax payable for the year of assessment commencing on April 1, 2023, the income tax rates set out in this paragraph shall be applied for such year of assessment by considering such alternative period of twelve months period.”.

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.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**SOCIAL SECURITY CONTRIBUTION LEVY
(AMENDMENT) ACT, No. 15 OF 2023**

[Certified on 08th of September, 2023]

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*Social Security Contribution Levy
(Amendment) Act, No. 15 of 2023*

[Certified on 08th of September, 2023]

L.D.- O. 54/2022

AN ACT TO AMEND THE SOCIAL SECURITY CONTRIBUTION LEVY
ACT, NO. 25 OF 2022

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

1. This Act may be cited as the Social Security Contribution Levy (Amendment) Act, No. 15 of 2023. Short title
2. The First Schedule to the Social Security Contribution Levy Act, No. 25 of 2022 is hereby amended as follows:- Amendment of the First Schedule to the Act, No. 25 of 2022
 - (1) in PART IA thereof-
 - (a) by the substitution for the words “project implementation period; and” in item 23, of the words “project implementation period;”;
 - (b) by the substitution for the words “the Minister of Finance.” in item 24, of the words “the Minister of Finance;”;
 - (c) by the addition immediately after item 24, of the following new items:-
 - “25. Any motor vehicle identified under Harmonized Commodity Description and Coding Numbers for Custom purpose and liable to the excise duty under the Excise (Special Provisions) Act, No. 13 of 1989, on the importation;
 26. Equipment used by differently abled persons;

*Social Security Contribution Levy
(Amendment) Act, No. 15 of 2023*

27. Rough unprocessed gem stones imported by a person who holds a licence issued under section 15 of the National Gem and Jewellery Authority Act, No. 50 of 1993, for the purpose of re-exporting such gems upon being cut and polished for payment in foreign currency, if such foreign currency is remitted to Sri Lanka through a bank;
28. Any article sold at duty-free shops; and
29. Rice manufactured out of locally produced paddy.”;

(2) in PART II thereof–

- (a) by the substitution for item 1, of the following item:-
 - “1. Generation of electricity and supply of electricity other than the supply of electricity by any person who holds a distribution licence issued under section 13 of the Sri Lanka Electricity Act, No. 20 of 2009;”;
- (b) by the substitution for the words “foreign currency; and” in item 22, of the words “ foreign currency;”;
- (c) by the substitution for the words “Gratuity Fund.” in item 23, of the words “Gratuity Fund; and”;
- (d) by the addition immediately after item 23, of the following new item:-

Social Security Contribution Levy 3
(Amendment) Act, No. 15 of 2023

“24. Services provided by any General Sales Agent who holds an Air Transport Service Licence issued under section 97 of the Civil Aviation Act, No. 14 of 2010.”.

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CENTRAL BANK OF SRI LANKA
ACT, No. 16 OF 2023**

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Central Bank of Sri Lanka
Act, No. 16 of 2023

[Certified on 14th of September, 2023]

L.D.—O. 12/2019

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF THE CENTRAL BANK OF SRI LANKA; FOR THE REPEAL OF THE MONETARY LAW ACT (CHAPTER 422); 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. (1) This Act may be cited as the Central Bank of Sri Lanka Act, No. 16 of 2023 and shall come into operation on such date as the Minister may appoint by Order published in the *Gazette* (in this Act referred to as the “appointed date”).

Short title and date of operation

(2) The appointed date shall be a date not later than a period of six months from the date on which the Certificate is endorsed in respect of this Act in terms of Article 79 of the Constitution.

PART I

ESTABLISHMENT OF THE CENTRAL BANK

2. (1) There shall be established an institution which shall be called and known as the Central Bank of Sri Lanka (in this Act referred to as the “Central Bank”) to be an authority responsible for the administration, supervision and regulation of the monetary, financial and payment systems of Sri Lanka.

Establishment of the Central Bank

(2) The Central Bank shall be a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name.

3. The Central Bank shall have its principal place of business in Colombo.

Principal place of business

Capital of the
Central Bank

4. (1) The capital of the Central Bank shall be a fully subscribed and paid-up amount as may be determined by the Governing Board from time to time.

(2) The capital of the Central Bank shall be held solely by the Government and shall not be transferable or subject to any encumbrance.

(3) The capital of the Central Bank may be increased by such amounts as may be determined by the Governing Board with the concurrence of the Minister from funds allocated from the Consolidated Fund.

(4) The capital of the Central Bank shall not be reduced at any time.

Autonomy and
accountability of
the Central Bank

5. (1) The Central Bank shall have administrative and financial autonomy.

(2) The Central Bank shall be autonomous and accountable.

(3) The autonomy of the Central Bank shall be respected at all times and no person or entity shall cause any influence on the Governor of the Central Bank or other members of the Governing Board and Monetary Policy Board or employees of the Central Bank in the exercise, performance and discharge of their powers, duties and functions under this Act or interfere with the activities of the Central Bank.

(4) Except in the exercise, performance and discharge of the powers, duties and functions under this Act, the Governor of the Central Bank or other members of the Governing Board and Monetary Policy Board, employees of the Central Bank or any person authorized by the Central Bank shall not seek or take instructions from any person:

Provided however, nothing in this section shall prevent the Central Bank from seeking professional or expert advice to effectively exercise, perform and discharge its powers, duties and functions under this Act or any other written law.

6. (1) The primary object of the Central Bank shall be to achieve and maintain domestic price stability.

Objects of the
Central Bank

(2) The other object of the Central Bank shall be to secure the financial system stability.

(3) Without prejudice to the attainment of its objects and subject to the provisions of this Act, the Central Bank shall support the general economic policy framework of the Government as provided for in any law.

(4) In pursuing the primary object referred to in subsection (1), the Central Bank shall take into account, *inter alia*, the stabilization of output towards its potential level.

(5) In pursuing the object referred to in subsection (2), the Central Bank shall take into account, *inter alia*, the development and efficiency of the financial system.

7. (1) Subject to the provisions of this Act, the powers, duties and functions of the Central Bank shall be to –

Powers, duties
and functions of
the Central Bank

- (a) determine and implement monetary policy;
- (b) determine and implement the exchange rate policy;
- (c) hold and ensure the prudent and effective management of the official international reserves of Sri Lanka;
- (d) issue and manage the currency of Sri Lanka;
- (e) administer, supervise and regulate payment systems and ensure the safety, effectiveness, and efficiency of such payment systems;

- (f) register, license, regulate and supervise financial institutions;
- (g) resolve financial institutions regulated and supervised by the Central Bank;
- (h) adopt and implement macroprudential policy measures;
- (i) collect and produce statistics;
- (j) act as financial advisor and banker to the Government;
- (k) act as fiscal agent of the Government to the extent provided for by or under any written law;
- (l) inform Parliament, Government, and the public about its policies and operations;
- (m) cooperate with and participate in international organizations, including public international financial institutions, and cooperate with domestic and foreign public institutions, concerning matters related to its objects;
- (n) promote financial inclusion in Sri Lanka;
- (o) establish deposit insurance and liquidity support schemes as means of securing the financial system stability;
- (p) hold, sell and dispose of property, both movable and immovable, and enter into contracts;
- (q) acquire and hold such assets and incur such liabilities as it may deem necessary; and
- (r) generally, do all such acts and things as are necessary for, or incidental or conducive to the carrying out or attainment of the objects of the Central Bank.

(2) The Governing Board, Monetary Policy Board and the Governor of the Central Bank shall, for the purpose of achieving the objects of the Central Bank, exercise, perform and discharge the powers, duties and functions conferred on, or assigned to, or imposed on, the Central Bank by this Act.

PART II

GOVERNING BOARD, MONETARY POLICY BOARD, GOVERNOR AND DEPUTY GOVERNORS

8. (1) There shall be established a Governing Board of the Central Bank (in this Act referred to as the “Governing Board”) which is charged with the responsibility of overseeing the administration and management of the affairs of the Central Bank and the determination of general policy of the Central Bank other than the monetary policy.

Governing
Board of the
Central Bank

(2) The Governing Board shall consist of the following members: -

- (a) the Governor of the Central Bank who shall be the Chairperson of the Governing Board; and
- (b) six members who shall have expertise in Economics, Banking, Finance, Accounting and Auditing, Law or Risk Management.

(3) The Secretary to the Governing Board who shall be an employee of the Central Bank shall be nominated by the Governor of the Central Bank.

(4) The members of the Governing Board other than the Chairperson shall discharge supervisory and policy formulation functions of the Central Bank and shall not discharge any executive function of the Central Bank.

(5) The powers, duties and functions of the Governing Board shall be to-

- (a) take general policy decisions other than monetary policy;
- (b) take enforcement measures, including issuing instructions to the financial institutions, regulating payment, clearing and settlement systems, and taking remedial actions, and to appoint a receiver for such institutions;
- (c) take administrative measures, as provided for by this Act or any other written law;
- (d) formulate the corporate strategy of the Central Bank;
- (e) approve the budget of the Central Bank;
- (f) approve annual accounts and financial statements of the Central Bank;
- (g) organize the Central Bank and the general framework regulating the powers, duties and functions of the employees of the Central Bank;
- (h) prepare schemes for appointments, promotions and the exercise of disciplinary control over the employees of the Central Bank;
- (i) appoint the Chief Internal Auditor of the Central Bank;
- (j) oversee the financial reporting, risk management, compliance, information technology, security and internal control system of the Central Bank;
- (k) supervise the administration of the Central Bank;
- (l) adopt policies including accounting policies and procedures of the Central Bank in line with internationally recognized accounting standards;

- (m) approve the internal audit report prepared by the Audit Committee of the Central Bank and monitor implementation of the internal auditor's recommendations in the Central Bank; and
- (n) generally, do all such acts and things as are necessary for, or incidental or conducive to the administration and management of the Central Bank and to give effect to the provisions of this Act.

(6) The Governing Board may, in writing, delegate the functions specified in paragraphs (b) and (c) of subsection (5) to the Governor of the Central Bank.

(7) The Governing Board may establish specialized boards and sub-committees to assist in supervising the administration and management of the Central Bank.

(8) The Governing Board may make such rules as it may consider necessary in relation to any matter affecting or connected with or incidental to the exercise, performance and discharge of the powers, duties and functions of the Central Bank.

(9) The Governing Board may utilize the funds of the Central Bank for the purpose of meeting all expenditures incurred by the Central Bank in the administration, management and operation of the Central Bank and in the exercise, performance, and discharge of the powers, duties and functions of the Central Bank.

9. (1) The meetings of the Governing Board shall be held at least once a month, and as frequently as is necessary for the purpose of exercising, performing and discharging the powers, duties and functions of the Central Bank.

Meetings of the
Governing
Board

(2) The Chairperson of the Governing Board shall, if present, preside at every meeting of the Governing Board. In the absence of the Chairperson from any meeting, a member appointed under paragraph (b) of subsection (2) of section 8 elected by the members present at that meeting shall preside at such meeting.

(3) The meetings of the Governing Board shall be convened by the Chairperson or at the written request of any two members of the Governing Board.

(4) The *quorum* for a meeting of the Governing Board shall be five members.

(5) Each member of the Governing Board shall have one vote and in the event of an equality of votes at any meeting of the Governing Board, the member presiding at such meeting shall, in addition to his vote, have a casting vote.

(6) All matters for decision at any meeting of the Governing Board shall be decided by the votes of the majority of the members present.

(7) The Governing Board may make rules of procedure for the exercise, performance and discharge of its powers, duties and functions under this Act, and such rules of procedure may provide for the manner in which the meetings of the Governing Board shall be conducted.

(8) Subject to the preceding provisions of this section, the Governing Board may regulate the procedure in regard to the meetings of the Governing Board and the transaction of business at such meetings.

(9) No act, decision or proceeding of the Governing Board shall be deemed to be invalid by reason only of the existence of a vacancy in the Governing Board or a defect in the appointment of any member of the Governing Board.

10. (1) The proceedings of the meetings of the Governing Board shall be confidential to the extent permitted under the Right to Information Act, No. 12 of 2016. The Governing Board may give publicity to any of its decisions on any matter, if it considers it necessary.

Confidentiality
of proceedings
of the
Governing
Board

(2) The minutes of each meeting of the Governing Board shall be signed by the person presiding at such meeting and the Secretary to the Governing Board.

(3) The minutes of each meeting of the Governing Board shall be kept in writing, and retained at least for a period of twelve years.

11. (1) There shall be a Monetary Policy Board of the Central Bank (in this Act referred to as the “Monetary Policy Board”), which is charged with the formulation of monetary policy of the Central Bank and implementation of a flexible exchange rate regime in line with the flexible inflation targeting framework in order to achieve and maintain domestic price stability.

Monetary Policy
Board

(2) The Monetary Policy Board shall regulate the supply, availability, and cost of money, taking into account the macroeconomic and financial condition of Sri Lanka.

12. (1) The Monetary Policy Board shall consist of the following members:—

Composition of
the Monetary
Policy Board

- (a) the Governor of the Central Bank who shall be the Chairperson of the Monetary Policy Board;
- (b) members of the Governing Board appointed pursuant to paragraph (b) of subsection (2) of section 8;
- (c) two experts in Economics or Finance;
- (d) the Deputy Governor of the Central Bank in charge of price stability; and
- (e) the Deputy Governor of the Central Bank in charge of financial system stability.

(2) The Secretary to the Monetary Policy Board who shall be an employee of the Central Bank shall be nominated by the Governor of the Central Bank.

Meetings of the
Monetary Policy
Board

13. (1) The Monetary Policy Board shall meet at least once in two months.

(2) Every year, the schedule of meetings of the Monetary Policy Board shall be published by the Central Bank prior to the first meeting in that year.

(3) The schedule of meetings may be changed, if the Chairperson of the Monetary Policy Board is of the view that an additional meeting or a reschedule of meeting is required due to any exigency. In such circumstances, the revised schedule of meetings shall be published by the Central Bank as soon as practicable.

(4) The Chairperson of the Monetary Policy Board shall, if present, preside at every meeting of the Monetary Policy Board. In the absence of the Chairperson from any meeting, an appointed member elected by the members present at that meeting shall preside at such meeting.

(5) The *quorum* for a meeting of the Monetary Policy Board shall be eight members of which one shall be the Governor of the Central Bank or in his absence, the Deputy Governor of the Central Bank in charge of price stability.

(6) Each member of the Monetary Policy Board shall have one vote and in the event of an equality of votes at any meeting of the Monetary Policy Board, the member presiding at such meeting shall, in addition to his vote, have a casting vote.

(7) All matters for decision at any meeting of the Monetary Policy Board shall be decided by the votes of the majority of the members present.

(8) The proceedings of the meeting of the Monetary Policy Board shall be confidential to the extent permitted under the Right to Information Act, No. 12 of 2016.

(9) The Monetary Policy Board shall publish the resolution adopted by it after the conclusion of every meeting of the Monetary Policy Board with an explanation of recent economic developments and the economic outlook which underpins such resolution.

(10) The Monetary Policy Board may make rules of procedure for the exercise, performance and discharge of its powers, duties and functions.

(11) The rules of procedure may provide for the manner in which the meetings of the Monetary Policy Board shall be conducted.

(12) The minutes of each meeting of the Monetary Policy Board shall be kept in writing, and retained at least for a period of twelve years.

(13) No act, decision or proceeding of the Monetary Policy Board shall be deemed to be invalid by reason only of the existence of any vacancy in the Monetary Policy Board or any defect in the appointment of any member of the Monetary Policy Board.

14. (1) The Governor of the Central Bank shall be the Chief Executive Officer and the principal representative of the Central Bank.

Powers of the
Governor and
the Deputy
Governors of
the Central Bank

(2) The Governor of the Central Bank, in consultation with the Deputy Governors, shall be responsible for-

- (a) the day-to-day operations of the Central Bank; and
- (b) implementing policy decisions of the Governing Board and the Monetary Policy Board.

(3) The Governor of the Central Bank shall discharge such other functions of the Central Bank expressly assigned to the Governor of the Central Bank by the Governing Board or the Monetary Policy Board.

(4) The Governor of the Central Bank shall have the authority to sign any rule, order, direction, notice, contract, promissory note, security, report, balance sheet, statement, or such other document on behalf of the Central Bank.

(5) The Governor of the Central Bank shall devote his full professional time to the business of the Central Bank.

(6) The Governor of the Central Bank shall not accept or hold any other office or employment whatsoever, whether public or private, and whether remunerated or not.

(7) The Governor of the Central Bank may delegate any of his powers, duties and functions to the Senior Deputy Governor of the Central Bank, or with the concurrence of the Governing Board to any other Deputy Governor of the Central Bank.

(8) Where the Governor of the Central Bank is temporarily absent from duty or is temporarily unable to exercise, perform and discharge his powers, duties and functions, the Senior Deputy Governor of the Central Bank designated in terms of subsection (8) of section 15 shall act as the Chief Executive Officer of the Central Bank and shall have authority to exercise, perform and discharge the powers, duties and functions of the Governor of the Central Bank.

(9) Where both the Governor of the Central Bank and the Senior Deputy Governor of the Central Bank are temporarily absent from duty or are temporarily unable to exercise, perform and discharge their powers, duties and functions, the Governing Board shall appoint a Deputy Governor of the Central Bank to act as the Chief Executive Officer of the Central Bank.

(10) The Deputy Governor of the Central Bank appointed under subsection (9) shall be designated as the acting Chief Executive Officer of the Central Bank.

(11) (a) Where the Governor of the Central Bank vacates or ceases to hold office for any reason, the Senior Deputy Governor of the Central Bank designated in terms of subsection (8) of section 15 shall act as the Chief Executive Officer of the Central Bank.

(b) Where the Senior Deputy Governor of the Central Bank referred to in paragraph (a) is unable to act as the Chief Executive Officer for any reason, the acting Chief Executive Officer designated in terms of subsection (10) shall act as the Chief Executive Officer of the Central Bank.

(12) The office of the Governor of the Central Bank shall not remain vacant for a period of more than forty-five days.

15. (1) The Minister shall, having regard to the provisions of section 17, recommend to the President-

- (a) the name of a person to be appointed as the Governor of the Central Bank; and
- (b) the names of persons to be appointed as members of the Governing Board referred to in paragraph (b) of subsection (2) of section 8 and the experts of the Monetary Policy Board referred to in paragraph (c) of subsection (1) of section 12 (in this Act referred to as the “appointed members”).

Appointment of the Governor and other appointed members and the Senior Deputy Governor of the Central Bank

(2) In recommending the names of persons to be appointed as members of the Governing Board referred to in paragraph (b) of subsection (2) of section 8, the Minister shall take into account the desirability of promoting diversity in the membership of the Governing Board.

(3) Upon the receipt of the recommendations of the Minister under subsection (1), if the President is satisfied with the suitability of the persons so recommended, the President shall recommend the names of such persons to the Constitutional Council for approval.

(4) Upon the receipt of approval of the Constitutional Council under subsection (3), the President shall appoint such persons as the Governor of the Central Bank and the other members of the Governing Board and the Monetary Policy Board.

(5) Where the Constitutional Council refuses to approve the name of a person referred to in subsection (3), the Minister shall make a fresh nomination, and the provisions of subsections (2), (3), and (4) shall apply to such nomination accordingly.

(6) Where the President is of the view that any person recommended under subsection (1) is not suitable for such appointment, the President shall, in writing, communicate such fact along with reasons therefor to the Minister and the Minister shall table such communication in Parliament.

(7) Where the Minister receives a communication referred to in subsection (6), he shall recommend to the President another person. The provisions of subsections (2), (3), (4) and (6) shall apply to the recommendation made under this subsection.

(8) The Minister shall, on the recommendation of the Governing Board-

- (a) determine the number of Deputy Governors of the Central Bank to be appointed and appoint such number of Deputy Governors who shall exercise, perform and discharge such powers, duties and functions assigned to them by this Act or the Governing Board; and
- (b) designate the most senior Deputy Governor appointed under paragraph (a) as the Senior Deputy Governor of the Central Bank.

(9) Every appointment made under this section shall be subject to the provisions of section 17.

(10) The Deputy Governors of the Central Bank shall be employees of the Central Bank.

(11) The appointment of the Deputy Governors of the Central Bank and the designation of the Senior Deputy Governor of the Central Bank shall be made in accordance with the criteria prescribed by rules of the Governing Board.

(12) The appointments referred to in subsection (1) shall be finalized not more than a period of thirty days prior to the expiration of the term of office of the previously appointed member.

(13) In the event of the President failing to appoint any person approved by the Constitutional Council under subsection (4) within a period of thirty days from the date of approval of the Constitutional Council, such person shall be deemed to have been appointed as the Governor of the Central Bank, a member of the Governing Board or an expert of the Monetary Policy Board, as the case may be, with effect from the date of expiry of such period.

16. (1) The term of office of the Governor of the Central Bank and an appointed member shall be a period of six years commencing on the date of his appointment.

Term of
office of the
Governor of
the Central
Bank and an
appointed
member

(2) Where the Governor of the Central Bank or any appointed member vacates office before the expiration of the term of office, another person shall be appointed in terms of section 15 in his place to hold office during the unexpired period of the term of office of the Governor of the Central Bank or the appointed member so vacating the office.

(3) The Governor of the Central Bank or any appointed member who vacates office by effluxion of time shall be eligible for reappointment:

Provided however, the aggregate term of office of any such member shall not exceed a period of twelve years.

Eligibility and disqualifications of the Governor and other appointed members and Deputy Governors of the Central Bank

17. (1) The persons appointed under section 15 shall be persons of eminence and integrity who have distinguished themselves in public and professional life and who possess professional or academic experience in the fields of Economics, Monetary Policy, Banking, Finance, Accounting and Auditing, Law or Risk Management in order to assist the Central Bank to achieve its objects and to exercise, perform and discharge its powers, duties and functions.

(2) A person shall be disqualified from being appointed or continuing as the Governor of the Central Bank, or an appointed member or a Deputy Governor of the Central Bank, if such person –

- (a) has committed or has been connected with the commission of, any act which involves fraud, deceit, dishonesty or professional misconduct;
- (b) is subject to an investigation or inquiry consequent upon being served with notice of a charge involving fraud, deceit, dishonesty or other similar criminal activity, by any regulatory authority, supervisory authority, professional association, commission of inquiry, tribunal or any other body established by law, in Sri Lanka or abroad;
- (c) has been convicted by any court in Sri Lanka or abroad in respect of a crime involving dishonesty or committed in connection with financial management or of any offence involving moral turpitude;
- (d) is an undischarged insolvent or has been declared bankrupt by a court of competent jurisdiction in Sri Lanka or abroad;
- (e) has failed to satisfy any judgement or order of any court whether in Sri Lanka or abroad, or to repay a debt;

- (f) has been declared by a court of competent jurisdiction in Sri Lanka or abroad, to be of unsound mind;
- (g) has been removed or suspended by an order of a regulatory or supervisory authority from serving as a director, chief executive officer or other officer in any financial institution or corporate body, in Sri Lanka or abroad;
- (h) was a chief executive officer or held any other position of authority in any financial institution –
 - (i) whose license has been suspended or cancelled; or
 - (ii) which has been wound up or is being wound up, or which is being compulsorily liquidated whether in Sri Lanka or abroad;
- (i) is an employee of the Central Bank:

Provided however, this disqualification shall not be applicable in the case of the appointment of a Deputy Governor of the Central Bank from among the employees of the Central Bank;
- (j) is or becomes a member of the Parliament, a Provincial Council or a local authority;
- (k) is or becomes a public officer or judicial officer or holds any office or position other than an academic position, either by election or appointment, for which salary or other remuneration or benefit other than the superannuation benefit deriving from his previous employment, is payable out of public funds, provincial funds or the funds of any local authority:

Provided however, nothing in this subsection shall be held to empower the Minister to remove, with the concurrence of the Governing Board, from office, any Deputy Governor of the Central Bank who has been temporarily released under subsection (3), by reason only that such Deputy Governor of the Central Bank holds such office or position in such institution:

Provided further, that nothing in this subsection shall be construed to enable a Deputy Governor of the Central Bank who has been temporarily released to serve in an office or position of a public corporation under subsection (3) to take part in the deliberations of the Governing Board or Monetary Policy Board of the Central Bank while he holds office or position as a public officer;

- (l) is an official of a political party; or
- (m) is or becomes a director, officer or employee of an entity regulated by the Central Bank or a financial institution operating through offices in Sri Lanka or a beneficial owner of an equity interest in a financial institution.

(3) The Governing Board may, with the concurrence of the Minister, temporarily release a Deputy Governor of the Central Bank to serve in an office or position of any Ministry, department, public international financial institution or public corporation which is not a financial institution under this Act.

Resignation
from office

18. Any person serving any office referred to in subsection (1) of section 15 may resign such office by giving not less than three months' notice in writing to the President and the Minister.

Disqualifications
and removal
from office

19. (1) Any person appointed under subsection (4) of section 15 may be removed by the president, on the recommendation of the Minister and subject to the approval

of the Constitutional Council following a hearing of the relevant appointed person that such person—

- (a) is unable to exercise, perform and discharge the powers, duties and functions of such office because of an infirmity of body or mind that has lasted for more than a period of three months;
- (b) has not complied with the relevant code of conduct of the Central Bank;
- (c) has failed to exercise, perform and discharge the powers, duties and functions of such office for a consecutive period of more than three months without the approval of the Governing Board; or
- (d) is disqualified in terms of the provisions of subsection (2) of section 17.

(2) Upon the receipt of the approval of the Constitutional Council, the President shall, in writing, remove any person appointed under subsection (4) of section 15, and shall state in the letter of removal—

- (a) the date on which the removal shall take effect which shall not be a date earlier than the date on which the letter of removal is received; and
- (b) the reasons for the removal.

(3) Any person appointed under subsection (4) of section 15 may be suspended from the office by the President prior to the commencement of the hearing or during the course of the hearing under subsection (1).

(4) Any person appointed under subsection (8) of section 15 may be removed from office by the Minister on the advice of the Governing Board, in the event the Minister is satisfied following a hearing of the relevant person that such person—

- (a) is unable to exercise, perform and discharge the powers, duties and functions of such office because of an infirmity of body or mind that has lasted for more than a period of three months;
- (b) has not complied with the relevant code of conduct of the Central Bank;
- (c) has failed to exercise, perform and discharge the powers, duties and functions of such office for a consecutive period of more than three months without the approval of the Governing Board; or
- (d) is disqualified in terms of the provisions of subsection (2) of section 17.

(5) No person appointed pursuant to subsections (4) and (8) of section 15 shall be removed from office on any ground other than the grounds specified in subsection (1) or (4).

(6) Any person appointed under subsection (7) of section 15 may be suspended from the office by the Minister, on the advice of the Governing Board, prior to the commencement of the hearing or during the course of the hearing under subsection (4).

Restriction on subsequent actions

20. Any person who ceases to be the Governor of the Central Bank, a member of the Governing Board or Monetary Policy Board, Deputy Governor, or an employee of the Central Bank shall not serve in any capacity whatsoever, in or for, any financial institution until the expiration of a period of three years from the date of such cessation.

Remuneration

21. (1) Notwithstanding anything to the contrary in any other written law, the remuneration of the Governor of the Central Bank and the allowances payable to the appointed members shall be determined by the Parliament.

(2) The amount of remuneration and allowances determined under subsection (1) shall be specified in the letter of appointment issued to such Governor and appointed members, and such remuneration shall not be reduced during the terms of office of such Governor and appointed members.

(3) No remuneration or allowance shall be based on the profits of the Central Bank or any of its revenues.

22. The Governing Board shall adopt such Codes of Conduct applicable to members of the Governing Board and the Monetary Policy Board.

Codes of
conduct

PART III

EMPLOYEES OF THE CENTRAL BANK

23. (1) The Governing Board may appoint and remove employees of the Central Bank, and may determine the terms and conditions of their employment including the remuneration.

Appointment
and removal of
employees of
the Central Bank

(2) No remuneration shall be based on the profits of the Central Bank or any of its revenue.

(3) The Governing Board may establish and regulate pensions or provident funds or schemes for the benefit of employees and their dependents and nominees, and may make contributions to any such fund or scheme.

(4) The Governing Board may, notwithstanding the provisions of subsection (1) of section 114, grant loans and advances, to employees of the Central Bank for such purposes as may be determined by the Governing Board subject to such terms and conditions as may be determined by the Governing Board.

(5) The compulsory age of retirement for every employee of the Central Bank shall be sixty years and the optional age of retirement for every employee of the Central Bank shall be fifty-five years.

(6) The Central Bank shall make rules relating to disciplinary control for all the employees of the Central Bank.

Employees not
to accept any
other office

24. (1) The employees of the Central Bank shall devote their professional services to the Central Bank, and shall not accept or hold any other office or employment, whether public or private, or whether remunerated or not, except as a nominee of the Central Bank or for educational or academic purposes, which are not in conflict with or which will not prevent the ability of any employee to devote his professional services to the Central Bank, and are within the limits determined by the Governing Board in that regard.

(2) The Governing Board may, at the request of any ministry, department, public international financial institution or a public corporation which is not a financial institution, temporarily release any officer of the Central Bank with the consent of such officer, to serve any office or position in such ministry, department, public international financial institution or public corporation, subject to such terms and conditions as may be determined by the Governing Board:

Provided, however, the temporary release of any officer of the Central Bank shall not exceed a period of five years unless the Cabinet of Ministers approves such other longer period.

(3) Any officer of the Central Bank who is released to serve any office or position in terms of subsection (2), shall be deemed to be removed from such office or position, if such officer is removed from his office in the Central Bank under the provisions of this Act.

Codes of
conduct

25. The Governing Board shall make codes of conduct applicable to employees of the Central Bank.

PART IV

INFLATION TARGET

26. (1) The Minister and the Central Bank shall sign a monetary policy framework agreement with regard to setting out the inflation target to be achieved by the Central Bank.

Inflation target

(2) In the event the Minister and the Central Bank are unable to reach an agreement with regard to the inflation target as referred to in subsection (1), the Minister shall place his proposal for the inflation target and that of the Central Bank before the Cabinet of Ministers, and the Cabinet of Ministers shall determine the inflation target to be achieved by the Central Bank.

(3) The Minister shall publish the monetary policy framework agreement including the inflation target and other parameters relating thereto in the *Gazette* within a period of one week from the date of such agreement.

(4) The Minister and the Central Bank may review the inflation target and any other parameters relating thereto, once in every three years or in such other intervals, if exceptional circumstances so warranted. The Minister shall, upon such review, publish in the *Gazette* the inflation target and other parameters relating thereto so reviewed and the exceptional circumstances that warranted such review.

(5) If the Central Bank fails to meet the inflation target by a margin determined in terms of subsections (1) and (4) of this section for two consecutive quarters, the Monetary Policy Board shall submit a report to Parliament through the Minister, which shall also be made available to the public, setting out-

- (a) the reasons for the failure to achieve the inflation target;
- (b) the remedial actions proposed to be taken by the Central Bank; and
- (c) an estimate of the time-period within which the inflation target shall be achieved.

(6) The Monetary Policy Board shall determine the monetary policy and other instruments relating to the implementation of the monetary policy of the Central Bank and shall have the authority to adjust such instruments for the purpose of implementing the monetary policy.

Publication of
report on
inflation

27. The Central Bank shall publish a report once in six months explaining recent movements in inflation, sources of inflation and medium-term projections for inflation and key risks to such projections.

Action to
preserve price
stability

28. (1) Where the Monetary Policy Board anticipates economic disturbances that are likely to threaten the domestic price stability in Sri Lanka or there are abnormal movements in the price level that are actually endangering such domestic price stability, it shall be the duty of the Monetary Policy Board –

- (a) to adopt such policies, and to cause such remedial measures to be taken, as are appropriate in the circumstances and authorized by this Act;
- (b) to submit to the Minister and, if it is not prejudicial to the public interest, publish, a detailed report which shall include, as a minimum, an analysis of –
 - (i) the causes of the anticipated economic disturbances, or of the actual abnormal movements of the price level;
 - (ii) the probable effects of such disturbances or movements on the level of production, employment, and income in Sri Lanka; and

- (iii) the measures which the Monetary Policy Board has already taken, and monetary, fiscal, or administrative measures that it proposes to take or recommends for adoption by the Government.

(2) The Monetary Policy Board shall continue to submit further reports periodically so long as the circumstances which occasioned the submission of the first report constitute a threat to domestic price stability.

(3) The Minister shall submit the reports referred to in this section to the Cabinet of Ministers to consider the same and take appropriate decisions to avert such an occurrence.

PART V

MONETARY AND OTHER OPERATIONS

29. (1) In the carrying out of its operations, the Central Bank may open and maintain cash, precious metals and securities accounts on its books for –

Opening of
accounts

- (a) financial institutions, foreign banks, and government entities;
- (b) central banks, international organizations including public international financial institutions, foreign governments, and donor organizations.

(2) The Central Bank may prescribe by rules the conditions for opening accounts on its books.

(3) The Central Bank may open and maintain cash, precious metals and securities accounts on the books of –

- (a) financial institutions which are subject to the regulation and supervision of the Central Bank;

- (b) central banks, depositories, foreign banks and international organizations including public international financial institutions.

Custodial
services of the
Central Bank

30. The Central Bank may, subject to the payment of fees in line with market rates and the terms and conditions as may be prescribed by the Governing Board, provide custodial facilities to financial institutions for denominated currency notes and coins as it designates, and for securities, precious metals and any other valuable assets as the Governing Board may determine.

Open market
operations

31. (1) In order to achieve the objects of the Central Bank and to exercise, perform and discharge its powers, duties and functions, the Central Bank may –

- (a) operate in the financial markets by buying and selling outright or under a repurchase agreement, and by lending or borrowing claims and marketable instruments, as well as precious metals;
- (b) conduct credit operations with licensed banks and other market participants operating in Sri Lanka, based on adequate collaterals; or
- (c) issue securities on such terms and conditions and in such form as may be determined by the Monetary Policy Board.

(2) The Monetary Policy Board shall make rules specifying–

- (a) the types of instruments and collateral to be used for open market and credit operations for the purpose of the monetary policy; and
- (b) the conditions under which the Central Bank may enter into transactions for the purposes of paragraph (a).

(3) The Governing Board shall make rules specifying –

- (a) the types of instruments and collateral to be used for credit operations other than the monetary policy; and
- (b) the conditions under which the Central Bank may enter into transactions for the purposes of paragraph (a).

32. (1) The Central Bank shall require-

- (a) the licensed commercial banks; and
- (b) such other financial institutions falling under such criteria as may be prescribed by the Monetary Policy Board (in this Act referred to as the “relevant financial institutions”),

Regulation of reserves of the financial institutions

to maintain reserves against their deposit liabilities and such of their other financial liabilities as the Monetary Policy Board may consider necessary and shall, for that purpose, prescribe the classes of deposit liabilities and the categories of other financial liabilities against which reserves are required to be maintained.

(2) The reserves required to be maintained by a licensed commercial bank or a relevant financial institution under subsection (1), shall be proportionate to the volumes of each class of its deposit liabilities and each category of its other financial liabilities and shall, subject to subsection (3), take the form of rupee deposits in the Central Bank.

(3) The Monetary Policy Board may, in the interest of the national economy and the banking and financial systems of Sri Lanka, demand the maintenance of any part of the reserves required to be maintained, in the form of assets other than rupee deposits in the Central Bank.

33. (1) The Monetary Policy Board shall prescribe the reserve ratios applicable to each class of deposit liabilities and each category of other financial liabilities against which

Monetary Policy Board to prescribe reserve ratios

reserves are required to be maintained under subsection (1) of section 32 and may, from time to time, vary such ratios as it may consider necessary.

(2) Where any licensed commercial bank or relevant financial institution is required to maintain a reserve against any class of deposit liabilities or any category of other financial liabilities, the Central Bank shall, if so determined by the Monetary Policy Board, in the interest of the national economy and the banking and financial systems of the country, pay to such licensed commercial bank or relevant financial institution, as the case may be, interest at such rate as may be determined by the Monetary Policy Board, on the amount maintained as a reserve or a part thereof.

(3) Where the reserves maintained by any licensed commercial bank or relevant financial institution are below the reserves required to be maintained by such licensed commercial bank or relevant financial institution, such licensed commercial bank or relevant financial institution shall pay to the Central Bank, an interest on the amount of the deficiency at such rate as may be determined by the Monetary Policy Board.

Consequences of
reserve
deficiencies

34. Where a licensed commercial bank or a relevant financial institution regularly fails to maintain the reserves required to be maintained by such licensed commercial bank or relevant financial institution under subsection (1) of section 32, the Monetary Policy Board may, in the interest of the national economy, make order –

- (a) prohibiting or restricting the making of loans or investments by such licensed commercial bank or relevant financial institution;
- (b) prohibiting the application of the whole or any specified part of the net profits of such licensed commercial bank or relevant financial institution for the purpose of payment of a dividend to its shareholders.

35. The Monetary Policy Board may recommend to the Governing Board to adopt such other methods of monetary control as may be authorized by this Act.

Operational
methods of
monetary
control

36. (1) In exceptional circumstances, the Central Bank may, on such terms and conditions as the Governing Board determines, grant liquidity assistance to a financial institution, or for its benefit-

Liquidity
assistance to
financial
institutions

- (a) under such rate as the Governing Board may determine which shall be above the prevailing market rate; and
- (b) for a period not exceeding a period of ninety-one days that may be renewed following a decision by the Central Bank for another period not exceeding a period of ninety-one days.

(2) The Central Bank shall provide such financial assistance on the basis of a programme specifying the remedial measures:

Provided however, no such commitment shall be made by the Central Bank unless such financial institution, in the opinion of the Governing Board, is solvent and can provide adequate collateral to support the loan, and the request for financial assistance is based on the need to improve liquidity.

(3) The renewal of credit facilities granted under subsection (1) shall, after the initial ninety-one days, require a Government guarantee in writing securing their repayment. The maximum renewal period shall be ninety-one days upon which the credit operations shall be repaid.

(4) The Governing Board shall determine the type and minimum value of the collateral to be deposited or provided for to secure credit operations granted or renewed under this section.

(5) If the Central Bank discovers that the assisted financial institution did not implement the remedial

measures specified in subsection (2), or that such measures did not achieve the results intended, the Central Bank shall take appropriate measures including the administrative measures provided for in section 107.

(6) Notwithstanding anything to the contrary in the preceding provisions of this section, the Central Bank may, if it considers that financial stability issues are at stake and to avoid a disturbance in the financial system, at its own discretion and on such terms and conditions as the Governing Board determines including the viability of the financial institution in the context of a restructuring or resolution plan, provide liquidity support in exceptional circumstance to a financial institution for a maximum period of one hundred and eighty days in cases where the Government has, for the sake of public interest, provided to the Central Bank an unconditional and irrevocable guarantee for any losses incurred by the Central Bank from the loan.

PART VI

FOREIGN EXCHANGE OPERATIONS AND INTERNATIONAL RESERVES

Foreign
exchange
operations of the
Central Bank

37. (1) The Central Bank may engage in foreign exchange operations by conducting –

- (a) foreign exchange auctions;
- (b) derivative transactions;
- (c) direct dealings; or
- (d) any other acceptable methods as approved by the Governing Board.

(2) Foreign exchange operations may be transacted by the Central Bank only with –

- (a) licensed commercial banks operating in Sri Lanka;
- (b) the Government and agencies or institutions acting on behalf of the Government, whether established by any written law or otherwise;

- (c) foreign commercial and investment banks;
- (d) foreign central banks;
- (e) international financial institutions; and
- (f) foreign Governments, foreign provincial governments and agencies or institutions acting on behalf of foreign Governments.

38. The Central Bank shall not accept any commission or impose any charge of any description in respect of the purchase or sale of foreign exchange, except telegraphic or other costs which are actually incurred in connection with such purchase or sale.

Central Bank not to accept any commission or impose any charges in foreign exchange operations

39. (1) The Central Bank may grant collateralized loans to, or take loans from, any institution of any description referred to in paragraphs (c), (d), (e) and (f) of subsection (2) of section 37 and may engage in such other transactions with such institutions as are expedient or desirable in the public interest and are appropriate having regard to the character of the Central Bank.

Loans to and from foreign institutions

(2) Any loan taken as provided in subsection (1) may be secured by assets held by the Central Bank.

(3) The Central Bank may act as an agent or correspondent of a foreign commercial bank or an investment bank or any institution referred to in paragraphs (b), (d), (e) and (f) of subsection (2) of section 37.

40. (1) The Central Bank shall manage the official international reserves consistent with international best practices and the rules made by the Governing Board having regard to the safety, liquidity and return in that order of priority.

Management of international reserves

(2) The international reserves of the Central Bank may include the following assets –

- (a) gold including credit balances representing such gold;
- (b) assets denominated in freely convertible foreign currencies in the form of –
 - (i) foreign notes and coins held by or to the credit of the Central Bank;
 - (ii) credit balances and interbank deposits that are payable on demand or within a short term held in the accounts of the Central Bank, on the books of foreign central and commercial banks, or international financial institutions;
 - (iii) readily-marketable debt securities issued by, or supported by foreign governments including provincial governments, foreign central banks, international financial institutions and agencies;
- (c) either the whole, or such maximum percentage of the whole, of the holdings of such drawing rights in the International Monetary Fund as may be determined from time to time by the Governing Board; and
- (d) any other readily-marketable financial assets denominated in freely convertible foreign currencies as determined by the Governing Board.

(3) In the event, the Central Bank is satisfied that there is a decline or a likelihood of decline in the international reserves, or such reserves may reach to a level that could jeopardize the objects of the Central Bank, and that the Central Bank is unable to remedy such decline by its own

measures, the Central Bank shall report to the Minister in writing of such decline including reasons for and recommendations to remedy such decline.

41. (1) Every licensed commercial bank shall, after the closure of business at the end of such period as may be prescribed by the Governor of the Central Bank, make a report to the Central Bank setting out the volume and composition of its purchases and sales of foreign exchange during that period, and shall furnish such additional information as the Central Bank may require with reference to such purchases and sales and to the movements of its accounts in foreign currencies.

Information on
exchange
operations

(2) The Governor of the Central Bank may require any other person to make reports to the Central Bank at specified times or intervals as to all transactions or operations in gold, in any shape or form, and in foreign exchange.

(3) Every report under this section shall be in such form as the Governor of the Central Bank may prescribe for the purpose.

(4) The Central Bank may make such inspection or examination of or take custody of any of the books and accounts kept by any licensed commercial bank or other person as it may deem necessary for the purpose of verifying the accuracy of any statement set out in any report made by such licensed commercial bank or person.

42. (1) The Governing Board may determine the manner of determination of the maximum amount of the working balances which licensed commercial banks may hold in foreign currencies generally or in any specified foreign currency or currencies, and may require such banks to sell to the Central Bank all or any specified part of the surpluses in excess of such maximum amount.

Control of
foreign
exchange
holdings of
commercial
banks

(2) The Governing Board may, having regard to the special needs of any particular licensed commercial bank, permit such bank to hold working balances in any specified

foreign currency in excess of the maximum amount determined for such currency under subsection (1).

(3) In ascertaining whether the working balances of any licensed commercial bank in any foreign currency are in excess of the maximum amount determined under subsection (1), there may be deducted from such balances the net liabilities of that bank in currencies into which the first-mentioned currency is freely convertible.

PART VII

CURRENCY AND LEGAL TENDER

Currency	43. The currency of Sri Lanka shall be the Sri Lanka rupee. The Sri Lanka rupee shall be divided into one hundred units each of which shall be called a “cent”.
Issuing power	44. The Central Bank shall have the sole right and authority to issue currency in Sri Lanka.
Prohibition against issue of notes by any person other than the Central Bank	<p>45. (1) No person other than the Central Bank shall draw, accept, make, or issue any bill of exchange, promissory note, or engagement for the payment of money payable to bearer on demand, or borrow, owe, or take up any sum or sums of money on the bills or notes payable to bearer on demand of any such person:</p> <p style="padding-left: 40px;">Provided however, cheques or drafts payable to bearer on demand may be drawn on licensed commercial banks or agents by their customers or constituents in respect of moneys in the hands of such banks or agents held by them at the disposal of the person drawing such cheques or drafts.</p> <p>(2) Every person who contravenes any provision of this section commits an offence.</p>
Liability for notes and coins	46. (1) Any currency notes and coins issued by the Central Bank shall be liabilities of the Central Bank.

(2) The currency notes and coins held in custody of the Central Bank shall not be considered as part of its currency issue and shall not be taken into account in determining the assets and liabilities of the Central Bank.

47. (1) All currency notes and coins issued by the Central Bank shall be legal tender in Sri Lanka for the payment of any amount.

Currency to be the legal tender

(2) Any transaction executed or liquidated between or among residents in Sri Lanka shall, unless otherwise authorized by the Central Bank for the purposes of the Foreign Exchange Act, No. 12 of 2017, be in Sri Lanka rupees.

48. (1) The Central Bank may, with the approval of the Minister and subject to section 49, issue commemorative currency notes or coins.

Issue of commemorative currency notes or coins

(2) Any commemorative currency notes or coins issued under subsection (1) may be sold at a price higher than the denomination specified in such notes or coins and as may be determined by the Minister.

(3) The sale of commemorative currency notes or coins issued under subsection (1) at a price higher than the denomination specified in such currency notes or coins shall be deemed not to be a contravention of section 55 or 56.

(4) Numismatic items prepared from currency notes or coins other than commemorative currency notes or coins may be sold at a price higher than the denomination specified in such notes or coins with the approval of the Governing Board, and the sale of such items at a price higher than the denomination specified in such currency notes or coins shall be deemed not to be a contravention of section 55 or 56.

49. (1) The Central Bank shall, with the approval of the Minister, prescribe the denominations, dimensions, designs, inscriptions, and other characteristics of currency notes and coins issued by the Central Bank.

Characteristics of currency

(2) Every currency note shall bear the signatures in facsimile of the Minister and of the Governor of the Central Bank and shall be stated on the face thereof to be issued on behalf of the Government of Sri Lanka.

Contracts for printing of notes and minting of coins

50. The Central Bank shall have the authority to enter into contracts with any other person in Sri Lanka or abroad for the printing of currency notes and the minting of coins.

Exchange of currency

51. Upon a request made and subject to such conditions as may be specified by rules, the Central Bank shall exchange, without charge or commission, currency notes and coins issued by the Central Bank.

Replacement of currency unfit for circulation

52. The Central Bank shall withdraw from circulation and shall cancel all currency notes and coins which for any reason whatsoever are unfit for circulation, and shall, as soon as practicable and subject to such rules as may be made in that behalf by the Governing Board, replace them by the delivery in exchange of fit currency notes and coins.

Redemption of currency

53. (1) The Governing Board may, in its discretion, by notice published in the *Gazette* call in for the replacement of currency notes or coins of any issue or denomination.

(2) Any currency notes and coins called in for replacement in accordance with this section shall remain legal tender for such period not exceeding one year from the date of call as may be specified by the Governing Board and shall thereafter cease to be legal tender.

(3) The Governing Board may determine a period not less than one year within which the Central Bank or any agent authorized by the Governing Board for the purpose, shall, upon surrender of any currency notes or coins so called in for replacement, replace such currency notes or coins, at par and without charge, by the delivery in exchange of fit currency notes or coins.

(4) All currency notes and coins called in for replacement and not surrendered as provided in subsection (3) shall cease to be a liability of the Central Bank and the bearer of any such notes or coins shall not be entitled to any compensation.

54. The Central Bank shall create and administer a currency stock in order to ensure the availability of a regular supply of currency notes and coins.

Currency stock

55. Any person who without the authority of the Governing Board—

Mutilation or defacement of currency notes

- (a) cuts, perforates, or in any other way whatsoever mutilates any currency note;
- (b) prints, stamps, or draws anything upon any currency note, or affixes any seal or stamp to or upon any currency note;
- (c) attaches or affixes to or upon any currency note anything in the nature or form of an advertisement;
- (d) reproduces in any form whatsoever, or makes a facsimile of, any currency note; or
- (e) uses otherwise as a legal tender, any currency note,

commits an offence.

56. (1) Any person who, without the authority of the Governing Board, melts, breaks up, perforates, mutilates or uses otherwise than as legal tender, any coin which is legal tender in Sri Lanka commits an offence.

Use of currency coin otherwise than as legal tender

(2) Any person who knowingly uses, possesses or deals with any metal or article which he knows or has reasonable cause to believe, is derived from any coin which has been dealt with in contravention of subsection (1), commits an offence.

Conclusive
evidence of
imitation of a
currency note

57. (1) Where, in any proceedings in any court, it has to be determined whether a document purporting to be a currency note is an imitation of a currency note, a certificate under the hand of the Governor of the Central Bank to the effect that such document is an imitation of a currency note and is not a currency note issued or deemed to be issued by the Central Bank shall be received in such proceedings as conclusive evidence of the fact that such document is an imitation of a currency note.

(2) The Governor of the Central Bank who issues a certificate under this section shall not be examined or cross-examined with respect to that certificate.

(3) Every certificate issued under this section shall be in a form as may be determined by the Governing Board.

Conclusive
evidence of
imitation of a
coin or current
coin

58. (1) Where, in any proceedings in any court, it has to be determined whether an article purporting to be a coin or a current coin is an imitation of such coin or current coin, a certificate under the hand of the Governor of the Central Bank to the effect that such article is an imitation of a coin or a current coin, as the case may be, and is not a coin or a current coin issued or deemed to be issued by the Central Bank, shall be received in such proceedings as conclusive evidence of the fact that such article is an imitation of a coin or a current coin.

(2) The Governor of the Central Bank who issues a certificate under this section shall not be examined or cross-examined with respect to that certificate.

(3) Every certificate issued under this section shall be in a form as may be determined by the Governing Board.

(4) In this section, the expression “current coin” shall have the same meaning as in the Penal Code (Chapter 19).

PART VIII

PAYMENT AND SETTLEMENT SYSTEMS

59. (1) The Central Bank may establish and operate one or more systems –

Establishment of systems for transfer of funds and transfer and settlement of scripless securities

- (a) for the transfer of funds by and between the Central Bank, licensed commercial banks and such other institutions or persons that maintain a settlement account with the Central Bank and who are admitted as participants to such system by the Central Bank;
- (b) for the transfer and settlement of scripless securities by and between the Central Bank and direct participants;
- (c) for the settlement of payment obligations in respect of transfer and settlement of scripless securities under paragraph (b); and
- (d) for the maintenance of a depository for the recording of title to scripless securities of the Central Bank, of direct participants, and in the case of dealer direct participants, of their customers. The Central Bank may make such rules as it may consider necessary in relation to the depository.

(2) A system established under subsection (1) may be linked to another system in Sri Lanka or elsewhere for the clearing or settlement of payment obligations or securities, and the Central Bank may enter into agreements with the operators of any of such systems.

(3) (a) The Central Bank shall provide facilities for clearance transactions among licensed commercial banks operating in Sri Lanka or any other financial institutions as may be approved by the Governing Board.

(b) The reserves maintained by licensed commercial banks in the Central Bank or the funds maintained in the Central Bank by any financial institution as may be approved by the Governing Board shall serve as a basis for the clearance of cheques and the settlement of balances among such banks and financial institutions in accordance with such rules as may be made in that behalf by the Central Bank.

(4) The Central Bank may enter into agreements with the participants of a system established under subsection (1) and issue in writing to the participants of the system, rules for the operation of the system.

(5) Without prejudice to the generality of subsection (4), such rules may provide –

- (a) for the provision of intra-day credit against the collateral of securities to the participants and the conditions attaching to the provision of such credit;
- (b) for the appointment of the Central Bank as a certification authority for the purpose of issuing certificates to participants under any law applicable to the appointment of certification authorities in respect of electronic signatures;
- (c) for the formulation and adoption of a code of conduct for participants;
- (d) for the authentication of transactions carried out electronically;
- (e) for the Central Bank, if it considers necessary in the interest of the system, to cease or suspend the operation of the system, or to withdraw or suspend the privileges or rights of any participant or category of participants or to suspend or revoke the membership in the system of a participant;

- (f) for the appointment of auditors or inspectors for the auditing or inspection of the operating systems of participants in respect of the settlement system; and
- (g) for the payment of charges and fees to the Central Bank by the participants.

(6) A payment or transfer made through a system established under subsection (1), is final and irrevocable –

- (a) in the case of a transaction involving funds transfer only, upon the settlement account of the participant requesting the funds transfer being debited;
- (b) in the case of a transaction involving a securities transfer only, upon the securities account of the participant requesting the securities transfer being debited; or
- (c) in the case of a transaction involving both a funds transfer and a securities transfer, upon debiting the settlement account or the securities account of a participant requesting the funds transfer or the securities transfer as the case may be, whichever occurs earlier,

and notwithstanding anything to the contrary in any other written law, such payment or transfer shall not be required to be reversed, repaid or set aside, and subject to the provisions of Articles 126 and 140 of the Constitution, no court shall order such payment or transfer to be rectified or stayed.

(7) (a) Any scripless securities issued under this Act or the Local Treasury Bills Ordinance (Chapter 417) or the Registered Stock and Securities Ordinance (Chapter 420) shall be transferred, pledged, encumbered, lent, borrowed or transacted in only as provided by or under the rules made under this Act or regulations made under the Local Treasury Bills Ordinance or the Registered Stock and Securities Ordinance, as the case may be.

(b) A transfer, pledge, encumbrance, loan, borrowing or transaction effected under paragraph (a) shall be valid and effectual notwithstanding anything in any other written law, and the claim of a participant of the system on any scripless securities posted as collateral in accordance with those rules or regulations as may be applicable shall have priority over the claims on such scripless securities of a person who is not a participant of the system.

(8) Nothing in subsections (5) and (6) shall affect any other legal right or remedy available to a person who has suffered any loss or damage by a payment, transfer or settlement effected through a system established under subsection (1).

(9) Notwithstanding the provisions of any written law relating to the winding up of companies, if proceedings for the winding up of a participant of a system have commenced—

- (a) the Central Bank may do anything permitted or required by the rules of the system in order to net obligations incurred on or before the day on which the proceedings commenced;
- (b) the obligations that are netted under the rules of the system shall be disregarded in the proceedings; and
- (c) the netting made by the Central Bank and any payment made by the participant under the rules of the system shall not be voidable in the proceedings.

(10) If proceedings for the winding up of a participant is commenced and a payment or settlement owed by such participant has been made as referred to in subsection (6) or (9), and if a payment or settlement of such funds or securities would have been void or voidable under any other written law if made outside the system, the liquidator of such participant may recover from the person to whose benefit

such payment or settlement was made such amount as would have been recoverable, if such payment or settlement had been made outside the system.

(11) Where any transaction effected through a system established under subsection (1) is carried out electronically, such transaction shall not be denied legal effect, validity or enforceability solely on the ground that such transaction is carried out electronically or that the information relating to such transaction is maintained in the form of an electronic record, and notwithstanding anything to the contrary in any other written law, such record may be tendered in evidence in proceedings before any court or tribunal.

(12) Any or all of the functions referred to in subsection (1) or (2) may be carried out by a body corporate authorized for the purpose by the Governing Board, subject to such terms and conditions as may be imposed by the Governing Board.

(13) The Central Bank shall provide facilities –

- (a) for financial institutions other than licensed commercial banks, as may be approved by the Governing Board, to maintain accounts at the Central Bank for the purpose of settling securities transactions; and
- (b) for financial institutions other than licensed commercial banks, as may be approved by the Governing Board to maintain accounts at the Central Bank for the purpose of holding scripless securities or clearing and settling transactions in scripless securities among direct participants.

(14) (a) Any or all of the functions referred to in paragraph (d) of subsection (1), paragraph (a) of subsection (3) and subsection (13) may be carried out by a body corporate authorized for the purpose by the Governing Board, subject to such terms and conditions as may be imposed by the Governing Board.

(b) The body corporate referred to in paragraph (a) may maintain an account with the Central Bank for the purpose of carrying out such functions.

Licensing and
oversight

60. (1) The Central Bank shall be responsible for the regulation, licensing, registration and oversight of payment, clearing and settlement systems as further specified in the Payment and Settlement Systems Act, No. 28 of 2005 or any other written law relating to regulation, licensing, registration and oversight of payment, clearing and settlement systems.

(2) The Central Bank may, by rules –

- (a) require the registration or licensing of any payment, clearing and settlement system or the operator of such system;
- (b) require any payment, clearing and settlement system or the operator of such system to observe such conditions and requirements as may be prescribed by the Central Bank; and
- (c) regulate and oversee the issuance of payment instruments.

(3) Any employee of the Central Bank or any other qualified person nominated by the Central Bank, may conduct periodic examinations over payment, clearing and settlement systems and the participants of such systems, to examine such accounts, books, documents and other records, or to obtain such information or records of such systems and participants or to take such other action as the Central Bank may direct.

(4) The payment, clearing and settlement systems, and their operators and participants, shall furnish the Central Bank with such information and records as the Central Bank may require.

(5) The Central Bank may disclose information and data obtained under subsection (3) or (4) in whole or in part in accordance with section 79.

PART IX

SUPERVISION AND RESOLUTION OF FINANCIAL INSTITUTIONS

61. (1) The Central Bank shall be exclusively responsible for the regulation, licensing, registration and supervision of financial institutions. Such responsibility shall include the imposition of administrative measures within the meaning of section 107.

Supervisory
authority of the
Central Bank

(2) Any employee of the Central Bank or any other qualified person authorized by the Central Bank shall examine the books and accounts of financial institutions, at least once in each examination period, and shall make such further examinations in respect of any financial institution, whenever required so to do by the Governor of the Central Bank.

(3) A report on the results of each examination under this section shall be furnished to the Governing Board.

(4) Any person authorized by the Central Bank may—

- (a) administer oaths or affirmations, in accordance with the Oaths and Affirmations Ordinance (Chapter 17), to any director, officer, or employee of any financial institution;
- (b) require any director, officer, or employee to furnish such information as such person may consider necessary for the purpose of ascertaining the true condition of the affairs of any such financial institution; or
- (c) require any director, officer, or employee to produce for inspection any book, record, or other document in his possession containing or likely to contain any information.

(5) It shall be the duty of every director, officer or employee of any financial institution to afford to the Central Bank or to any person authorized by the Central Bank an opportunity to examine books and records and its cash, assets, liabilities and general condition, whenever so requested by the Central Bank.

(6) The Central Bank may, for the purpose of the continuous supervision of financial institutions—

- (a) require any such financial institution, to furnish from time to time and within such period as may be specified, such statement and information relating to the business or affairs of such financial institution, as it may consider necessary to obtain for the purpose of ascertaining the true condition of the affairs of such financial institution;
- (b) require the auditor of any such financial institution, to furnish to it within such period as may be specified, any information in relation to an audit carried out by such auditor of such financial institution, as it may consider necessary to obtain for the purpose referred to in paragraph (a); and
- (c) examine the books and accounts kept by any such financial institution as it may deem necessary for the purpose of verifying the accuracy of any statement or information so furnished.

(7) Any employee of the Central Bank or any other qualified person authorized by the Central Bank shall examine the books and accounts of any subsidiary or agency of any financial institution including the overseas operations of such financial institution, if directions in that behalf are given by the Central Bank.

(8) The Central Bank may exchange information and data obtained under subsection (4) or (6), in whole or in part or

aggregate form, from the classes of financial institutions determined in accordance with the nature of their business, with competent authorities in or outside Sri Lanka that are entrusted with –

- (a) the supervision of other financial institutions;
- (b) the supervision of financial markets;
- (c) maintaining the stability of the financial system through the use of macroprudential policy; and
- (d) the reorganization or resolution of financial institutions,

and may enter into an agreement with any of such authorities for determining the procedure for the exchange of information and data and specifying their respective roles and duties.

(9) The Central Bank may disclose information and data obtained under subsection (4) or (6), in whole or in part or aggregate form, from the classes of financial institutions determined in accordance with the nature of their business in accordance with section 79.

(10) In this section-

“examination period” means a period of such duration as may be specified for the purpose by the Central Bank; and

“qualified person” means a person who possesses an academic or professional qualification and extensive knowledge and experience in the field of Banking, Finance, Accounting, Auditing, Law, Risk Management or any other similar field.

Resolution
authority of the
Central Bank

62. (1) Notwithstanding anything to the contrary in any other written law, the Central Bank shall be the authority responsible for the resolution of financial institutions:

Provided however, where the resolution involves public funds, such resolution decisions shall be taken in consultation with the Minister subject to the applicable laws.

(2) The Central Bank may enter into agreements with foreign supervisors and resolution authorities for the exchange of information and cooperation in resolution planning and in the implementation of resolution measures.

(3) The Central Bank shall carry out resolution planning and implement resolution measures on financial institutions in accordance with the provisions of this Act and other applicable laws.

PART X

MACROPRUDENTIAL AUTHORITY

Macroprudential
objectives of the
Central Bank

63. (1) The Central Bank shall be the macroprudential authority in Sri Lanka.

(2) The Central Bank shall develop and periodically update the overall approach to the use of macroprudential tools, and publish such approaches with a view to informing the public of the role of the Central Bank in macroprudential policy.

(3) In order to achieve the financial stability, the Central Bank shall pursue the following intermediate macroprudential objectives:-

- (a) to maintain the resilience of the financial system, in a manner that supports the provision of financial services even under adverse economic and financial conditions;

- (b) to contain risks from unsustainable increases in credit and leverage; and
- (c) to contain risks from interconnectedness within the financial system and control the risk of failure of individual systemically important institutions.

(4) (a) Without prejudice to the provisions of sections 5 and 6, the Central Bank shall, on the request of the Minister, provide the Minister with information regarding the exercise, performance and discharge of the powers, duties and functions of the Central Bank.

(b) Any specific information relating to supervised or overseen entities may be provided only for the purpose of the Government's functions with respect to financial stability, including crisis prevention and crisis management.

(c) Notwithstanding the confidentiality requirements specified in this Act, the supply of such information shall be subject to such limitations as the Central Bank may deem appropriate to preserve confidentiality.

(5) In the achievement of financial stability under subsection (3), the Central Bank shall consider the interests of depositors.

64. (1) The Central Bank, as the macroprudential authority may-

Macroprudential powers of the Central Bank

- (a) monitor, identify or assess the build-up of risks and vulnerabilities in the financial system;
- (b) request, collect, compile, analyze or publish data, information and statistics in order to achieve the macroprudential objectives;
- (c) conduct stress testing and simulation exercises;

- (d) designate systemically important financial sector participants under section 68;
- (e) adopt and apply the macroprudential instruments indicated in section 66 to financial institutions regulated and supervised by the Central Bank;
- (f) adopt and apply enhanced macroprudential oversight to systemically important financial sector participants;
- (g) identify gaps in regulation that could pose systemic risks;
- (h) formulate strategies and policies to mitigate or address identified systemic risks;
- (i) monitor domestic and international financial regulatory developments and advise on legislative or regulatory measures that will enhance financial stability;
- (j) develop and propose prudential standards to be applied by relevant financial sector authorities in respect of financial sector participants regulated and supervised by such authorities;
- (k) facilitate information sharing and cooperation among relevant financial sector authorities; and
- (l) propose to the Financial System Oversight Committee the recommendations to be issued to public or financial sector authorities.

(2) The Governing Board shall meet at least quarterly for the purpose of deciding any matter in relation to macroprudential authority under this section.

(3) The Central Bank shall, without prejudice to its autonomy, communicate to the Financial System Oversight Committee, such information as may be necessary for the exercise, performance and discharge of powers, duties and functions under this section.

65. (1) The Central Bank shall monitor, analyse, and assess –

Monitoring,
analysis and
assessment of
risks

- (a) vulnerabilities of the financial sector, including the risks arising from the developments in the financial sector;
- (b) risks to the financial system, including those arising from financial developments in the household and non-financial corporate sectors;
- (c) risks to the financial system arising from the broader economic context, in or outside Sri Lanka; and
- (d) any risk to the financial system stability, the nature and extent of such risk, including any risk contemplated in any matter raised by members of the Financial System Oversight Committee or reported by a financial sector authority in terms of this Act or communicated by a public authority.

(2) The Central Bank shall determine the methodology and indicators to be used in the assessment of systemic risks, at an early stage.

66. (1) In order to mitigate or eliminate identified systemic risks, the Central Bank shall issue qualitative and quantitative macroprudential instruments, which include –

Macroprudential
instruments

- (a) countercyclical capital buffers;
- (b) capital conservation buffer;

- (c) dynamic provisioning;
- (d) caps on leverage ratios;
- (e) caps on interest rates and credit growth;
- (f) sectoral capital requirements;
- (g) caps on loan-to-value ratios;
- (h) caps on debt-service-to income ratio;
- (i) caps on loan-to-income and debt-to-income ratios;
- (j) exposure caps;
- (k) liquidity tools;
- (l) capital surcharges;
- (m) liquidity surcharges;
- (n) control of inter-linkages in funding or derivatives markets; and
- (o) margin deposit requirements.

(2) The Central Bank may apply macroprudential instruments in respect of any financial sector participant or class of such financial sector participants regulated and supervised by the Central Bank.

Powers of the
Central Bank
upon financial
institutions

67. (1) The Central Bank may exercise the following powers upon financial institutions:-

- (a) to directly collect relevant data or information;
- (b) to apply a macroprudential instrument according to section 66;

- (c) to conduct on-site inspections to verify data and information collected under paragraph (a), and verify compliance with the rules made under this Act; and
- (d) to enforce such rules by applying the administrative measures indicated in section 107 of this Act to any financial sector participant that is not compliant, and ordering a financial sector participant to take, or refrain from taking, actions that are necessary to restore compliance.

(2) The Central Bank shall have the power to collect relevant data or information directly from any person or institution in order to achieve its macroprudential objectives.

68. (1) The Central Bank shall prescribe the criteria that are used to designate a financial sector participant as systemically important.

Designation of systemically important financial sector participants

(2) Nothing provided for in subsection (1) shall be construed so as to entitle any financial sector participant designated as systemically important to claim any form of guarantee or credit or other support from any public authority.

69. The Central Bank shall, if it considers necessary to prevent or mitigate a systemic risk with powers other than macroprudential instruments as provided for in subsection (1) of section 66, or if such risk is likely to be arising from the behaviour of any class of financial sector participants outside of the Central Bank's regulatory or supervisory authority, propose to the Financial System Oversight Committee, recommendations to be issued to relevant public authorities or to financial sector authorities, under section 75.

Central Bank to propose recommendations to the Financial System Oversight Committee

Financial
Stability Review

70. (1) The Central Bank shall prepare and publish an assessment of the stability of the financial system (in this Act referred to as the “Financial Stability Review”) on or before the thirty-first day in the month of October of each year.

(2) The Financial Stability Review shall include -

- (a) the Central Bank’s assessment of financial system stability;
- (b) the identification of, and assessment of, the risks and vulnerabilities of the financial system;
- (c) an overview of measures taken by the Central Bank and the other financial sector authorities to identify and manage risks, vulnerabilities or disturbances in the financial system; and
- (d) an overview of recommendations made by the Financial System Oversight Committee during the period under review and the progress made in implementing the recommendations.

PART XI

FINANCIAL SYSTEM OVERSIGHT COMMITTEE

Establishment of
the Financial
System
Oversight
Committee

71. (1) There shall be a Financial System Oversight Committee.

(2) The objective of the Financial System Oversight Committee shall be to contribute to secure the stability of the financial system in line with the macroprudential policy.

Powers, duties
and functions of
the Financial
System
Oversight
Committee

72. The Financial System Oversight Committee shall-

- (a) examine the macroprudential policy to mitigate identified building-up of systemic risks affecting the financial system;

- (b) coordinate the implementation of macroprudential policy;
- (c) upon a proposal of the Central Bank under section 69, issue recommendations to relevant public authorities and financial sector authorities on corrective action in response to the risk identified and, making those recommendations public, if it deems necessary; and
- (d) monitor compliance with its recommendations.

73. (1) The Financial System Oversight Committee shall consist of –

Composition of
the Financial
System
Oversight
Committee

- (a) the Governor of the Central Bank, who shall be the Chairperson;
- (b) the Deputy Governor of the Central Bank in charge of macroprudential policy;
- (c) the Deputy Governor of the Central Bank in charge of regulation and supervision;
- (d) a Deputy Secretary to the Treasury nominated by the Secretary to the Treasury;
- (e) the Chief Executive Officer of the Insurance Regulatory Commission of Sri Lanka;
- (f) the Chief Executive Officer of the Securities and Exchange Commission of Sri Lanka; and
- (g) another person who may be appointed by the Governing Board.

(2) The Financial System Oversight Committee may invite representatives from any other public authority to the meetings of the Committee to express their opinions.

(3) The Secretary to the Financial System Oversight Committee who shall be an employee of the Central Bank shall be nominated by the Governor of the Central Bank.

(4) The *quorum* for a meeting of the Financial System Oversight Committee shall be four voting members, including the members referred to in paragraph (a), and (b) or (c) of subsection (1).

(5) Every voting member of the Financial System Oversight Committee shall have one vote and in the case of an equality of votes, the Chairperson shall be entitled to a second or casting vote.

(6) The Financial System Oversight Committee shall, in the case of paragraph (c) of section 72, vote by ordinary resolution.

(7) A meeting of the Financial System Oversight Committee shall be convened at least quarterly. Any extraordinary meeting may be convened by the Chairperson, at his discretion or at the written request of at least two voting members.

(8) The Financial System Oversight Committee may make rules regarding the procedures to be followed at its meetings.

(9) The Secretary to the Financial System Oversight Committee shall keep the minutes of each meeting of the Financial System Oversight Committee at least for a period of twelve years.

Secretariat of the
Financial System
Oversight
Committee

74. The Central Bank shall establish a Secretariat of the Financial System Oversight Committee, which shall be responsible for high-quality analytical, statistical, administrative, logistical and financial support to the Financial System Oversight Committee, under the direction of the Chairperson of the Financial System Oversight Committee.

75. (1) Any recommendation under paragraph (c) of section 72 may be of either general or specific nature and may be addressed to all or one or more public authorities, according to the mandate of the authority receiving the recommendation.

Recommendations
to public
authorities and
financial sector
authorities

(2) The recommendation shall include a specified timeline for the policy response.

(3) The recommendation may be addressed to financial sector authorities in order to request the adoption of specific actions by exercising its regulatory, supervisory, enforcement, or resolution powers, according to the mandate of the authority receiving the recommendation.

(4) The recommendation shall be deemed to be fully implemented when the authority receiving it adopts all the actions within the timeline specified in the recommendation.

(5) (a) Where the receiving authority does not intend to fully implement the recommendation, it shall communicate the reasons therefor to the Secretariat of the Financial System Oversight Committee.

(b) Where the receiving authority implements only a part of the recommendation within the specified timeline, it shall communicate the reasons for not implementing the rest of the recommendation to the Secretariat of the Financial System Oversight Committee.

(6) Where the Financial System Oversight Committee decides not to implement the recommendation in full, it shall make public such decision.

(7) Notwithstanding the provisions of subsection (6), where a recommendation is issued on a financial sector participant designated as systemically important, the Financial System Oversight Committee shall be convened immediately and shall determine whether to re-issue the recommendation subject to a detailed explanation. If any recommendation is re-issued and if it is not fully

implemented by the financial sector participant, the Financial System Oversight Committee shall publish the decision taken.

(8) (a) The Financial System Oversight Committee shall, in appropriate circumstances, decide whether a recommendation shall be published.

(b) If the Financial System Oversight Committee decides to make a recommendation public, it shall inform the receiving authority in advance.

(c) The authority receiving a recommendation that has been made public by the Financial System Oversight Committee may make its views and reasoning public in response thereto.

PART XII

INFORMATION EXCHANGE WITH FINANCIAL SECTOR AUTHORITIES

Information exchange with regard to macroprudential issues

76. (1) Notwithstanding anything to the contrary in any other written law, the financial sector authorities shall cooperate with the Central Bank regarding its macroprudential authority and shall provide the Central Bank with all the data and information necessary in the exercise of its macroprudential authority.

(2) Upon a request for data or information or statistics made by the Central Bank under this Part, a financial sector authority shall provide the Central Bank with any such data, information or statistics in its possession within a period specified in such request or within a reasonable period.

Agreement

77. (1) For the implementation of the provisions of this Part of this Act, the Central Bank shall, as soon as practicable, enter into an agreement with each financial sector authority, for determining the procedure for such implementation and specifying their respective roles and duties.

(2) The agreement shall, as a minimum, include provisions on-

- (a) collection and sharing of information; and
- (b) notification and consultation on macroprudential policy measures to be taken by financial sector authorities.

(3) The Central Bank may, for the implementation of the provisions of this Part of this Act, enter into an agreement with any public authority.

(4) The agreement entered into under subsection (1) may be reviewed and updated as appropriate, at least once in every three years.

PART XIII

STATISTICS AND INFORMATION

78. The Central Bank, in order to achieve its objects and for the effective exercise, performance and discharge of its powers, duties and functions under this Act or any other written law, may-

Collection of
statistics and
information

- (a) request, collect, compile, analyze, abstract and publish relevant statistics and information;
- (b) prescribe the statistical information so required and the form in which such information is to be provided to the Central Bank, the persons subject to reporting requirements, the applicable confidentiality regime and the administrative measures that may be imposed in case of breach of such requirements; and
- (c) coordinate with bi-lateral and multilateral agencies in the adoption of internationally accepted statistical methodologies and data dissemination standards with a view to achieving consistency and efficiency in the organization of statistics and information.

Dissemination of
statistics and
information

79. The Central Bank may publish statistics, information and the methodology applied in the compilation of statistics and information, subject to the provisions of section 119.

PART XIV

RELATIONSHIP WITH THE PARLIAMENT, THE GOVERNMENT AND THE PUBLIC

Accountability

80. (1) The Central Bank shall, once in every six months and at such additional times as it deems necessary, inform the public regarding the implementation of its monetary policy, and the achievement of its objects.

(2) (a) The Governor of the Central Bank, the members of the Governing Board and the Monetary Policy Board and every Deputy Governor of the Central Bank shall, at the request of the Parliament, be heard by the Parliament or any of its committees once in every four months, regarding the functions of the Central Bank.

(b) The Governor of the Central Bank, the members of the Governing Board and the Monetary Policy Board and every Deputy Governor of the Central Bank may, on their own initiative, seek an opportunity to apprise functions of the Central Bank or to submit any document or report of the Central Bank to Parliament.

(3) The Governor of the Central Bank shall ensure that the Central Bank shall, within a period of four months after the close of each financial year, publish, and lay before Parliament through the Minister, a report approved by the Governing Board, on the state of the economy during such financial year emphasizing its policy objectives and the condition of the financial system. The report shall include a review and an assessment of the policies of the Central Bank followed during such financial year.

Financial
advisor, fiscal
agent of, and
banker to, the
Government

81. (1) The Central Bank shall act as the financial advisor to the Government.

(2) The Central Bank may, on such terms and conditions as it shall agree with the Government, act as fiscal agent of the Government to the extent provided for by or under any written law and banker to the Government.

(3) In the discharge of its functions as the fiscal agent of, and banker to the Government, the Central Bank may engage the services of banks or other institutions in places, whether in or outside Sri Lanka, where the Central Bank does not have offices or agencies adequately equipped to perform such functions.

(4) The Central Bank shall, on request of the Government, provide the Government with data on funds received by the Central Bank, acting as the fiscal agent of the Government.

(5) The Government shall, on request of the Central Bank, provide the Central Bank with such information and documents as the Central Bank may request for the purpose of coordinating the functions of the Central Bank with the fiscal policy of the Government.

(6) The Central Bank may represent the Government of Sri Lanka in any dealing, negotiation, or transaction with the International Monetary Fund, the International Bank for Reconstruction and Development or any other international financial institution of which Sri Lanka is a member, and shall maintain such accounts as may result from Sri Lanka's membership in, or operations with, such International Monetary Fund, International Bank for Reconstruction and Development or such other international financial institution. The Central Bank may be authorized by the Government to represent it in any dealing, negotiation, or transaction with foreign Governments, institutions, or agencies.

(7) The Central Bank may operate a registry for securities issued by the Government.

82. (1) The Central Bank shall be the official depository, and may accept deposits in any currency from, or on behalf of the Government:

Depository for
the Government

Provided however, the Central Bank may authorize one or more licensed commercial banks operating in Sri Lanka to accept Government deposits, subject to such rules as the Governing Board may prescribe.

(2) As the depository, the Central Bank shall receive and disburse moneys, keep records thereof, and provide other financial services related thereto to the Government.

(3) The Central Bank shall not pay any interest on any deposit held by the Government in Sri Lankan rupees.

Coordination
Council

83. (1) There shall be a Council for the Coordination of Fiscal, Monetary and Financial Stability Policies of the Central Bank, (in this Act referred to as the “Coordination Council”) consisting of the following members:—

- (a) the Governor of the Central Bank, who shall be the Chairperson;
- (b) the Secretary to the Treasury; and
- (c) the Secretary to the Ministry of the Minister assigned the subject of Economic Policy, in the event that such subject is assigned to a Minister other than the Minister of Finance.

(2) The Coordination Council shall hold its meetings quarterly to share information and exchange views on recent macroeconomic developments, outlook, and risks.

(3) The Chairperson of the Coordination Council shall call for an emergency meeting to share information and exchange views on any event or circumstance that poses a significant risk to financial stability, or that is expected to have a substantial adverse effect on economic activity, in Sri Lanka, with contagion effects among financial sector participants.

(4) The Central Bank shall place before the Coordination Council—

- (a) the data relevant for the purpose of subsection (2); and
- (b) the assessment of the Central Bank regarding the impact of economic policies of the Government on inflation, monetary conditions and fiscal operations.

(5) For the avoidance of doubts, the Coordination Council shall have no authority to make decisions over the fiscal, monetary and financial stability policies.

84. (1) Without prejudice to the provisions of sections 5 and 6, the Central Bank shall-

Cooperation
with the
Government

- (a) cooperate with the Government and any other public authority; and
- (b) exchange views with the Government and any other public authority on policies relating to monetary, foreign exchange operations, financial system stability, crisis prevention and crisis management and fiscal matters.

(2) The Central Bank and the Minister shall keep each other fully informed of all matters that affect the functions of the Central Bank and the Ministry.

(3) The Central Bank may advise the Government on any matter which, in its opinion, is likely to affect the achievement of the objects of the Central Bank under this Act.

85. Without prejudice to the provisions of sections 5 and 6, the Central Bank may, in order to achieve its objects and in the exercise, performance and discharge of its powers, duties and functions under this Act, cooperate with domestic or foreign regulatory, supervisory or monetary authorities, or with public international financial institutions, with a view to sharing information, coordinating activities, or arranging any other form of cooperation as it may deem necessary.

Inter-
institutional
cooperation

Prohibition on
monetary
financing

86. (1) The Central Bank shall not, directly or indirectly, grant credits to the Government or any public authority owned by the Government or to any other public entity.

(2) The Central Bank shall not incur any cost on behalf of the Government, except for expenses related to the functions of the Central Bank under subsection (3) of section 113 of this Act.

(3) The prohibition laid down in subsection (1) shall not apply to such Government-owned or publicly-owned banks and other financial institutions as may be determined by the Governing Board.

(4) The Central Bank shall not purchase securities issued by the Government, any Government-owned entity, or any other public entity in the primary market. The Central Bank may purchase such securities in the secondary market provided that such purchases do not circumvent the prohibition laid down in subsection (1).

(5) Notwithstanding the provisions of subsections (1) and (4), upon a Proclamation being made under the Public Security Ordinance (Chapter 40) in the interests of the Public Security and the preservation of public order, or a global health emergency that substantially and materially disrupts or constraints access by the Government to market funding, the Central Bank may purchase Treasury Bills in the primary market, where-

- (a) the Central Bank, in consultation with the Minister and subject to its monetary policy objectives under this Act, recommends the amount and terms of such Treasury Bills to be purchased under this subsection;
- (b) Parliament approves every each recommendation; and
- (c) upon the approval of Parliament, the Central Bank publishes in the *Gazette* the reasons for and, the amount and terms of such purchase of Treasury Bills:

Provided, however, the total amount of the purchase of Treasury Bills under this subsection shall-

- (i) not exceed five *per centum* of the limit of the Treasury Bills approved by Parliament, applicable for the respective financial year;
- (ii) be at prevailing market interest rates;
- (iii) be on a temporary basis for a period not exceeding six month;
- (iv) be repaid immediately upon maturity, in cash only;
- (v) be of maturities not exceeding six months; and
- (vi) not be rolled over or renewed.

PART XV

CREDIT OPERATIONS

87. (1) The Central Bank may, as the agent of the Government-

Credit operations with credit institutions

- (a) disburse and recover any loan or advance;
- (b) issue guarantees, pay indemnity payments, recover any post claim recoveries and write off any unrecoverable balance; or
- (c) disburse grants and interest subsidy,

out of the funds of the Government with a view to implementing refinance loan schemes and interest subsidy loan schemes under such terms and conditions as may be determined by the Government.

(2) Any loan or advance granted to such institution shall be made against a promissory note or such other security as may be determined by the Government subject to the following conditions:-

- (a) that the loan or advance is repayable within such period not exceeding fifteen years as may be determined by the Government;

- (b) that the repayment to the Central Bank of the loan or advance is secured by the assignment to the Central Bank, by way of pledge, of debts owed to such institution by its borrowers in respect of such purpose; and
- (c) such other conditions including the rate of interest on such loan or advance, as determined by the Government.

(3) The Central Bank may, in consultation with the Minister, prescribe the terms and conditions subject to which loans or advances will be made available to credit institutions out of the funds provided by the Government, for the purposes for which their loans in general are destined, or relating to any other matters affecting or connected with the credit policy of such institutions.

(4) An assignment of debts to the Central Bank under this Part of this Act shall be effected by an instrument which shall be in such form as may be determined by the Governing Board.

(5) The Central Bank shall, on the execution of an assignment, have a first charge on the debts so assigned.

(6) The provisions of this Part of this Act shall have effect notwithstanding anything to the contrary in any other provision of this Act.

Stamp duty

88. No stamp duty shall be chargeable or payable on or in respect of any instrument of assignment of debt by way of pledge to the Central Bank under this Part of this Act.

Registration of instrument of assignment

89. No instrument of assignment to the Central Bank under this Part of this Act shall require registration under the Registration of Documents Ordinance (Chapter 117).

Applicability of the Prevention of Frauds Ordinance

90. No assignment shall require execution before a licensed notary public and witnesses as provided for by section 2 of the Prevention of Frauds Ordinance (Chapter 70).

Interpretation

91. In this Part of this Act—

“assignment” means an assignment by way of pledge; and

“credit institution” means any bank licensed under the Banking Act, No. 30 of 1988.

PART XVI

FINANCIAL PROVISIONS

- 92.** The financial reporting framework, and accounting policies and procedures shall be in line with the internationally recognized financial reporting framework as approved by the Governing Board. Accounting standards
- 93.** The financial year of the Central Bank shall be the calendar year. Financial year
- 94.** (1) The Central Bank shall establish and maintain a general reserve account. Reserve accounts
- (2) The general reserve account shall not be used for any other purposes, except for the purposes of transferring to retained earnings if it becomes negative.
- (3) The Central Bank shall establish special reserve accounts to record unrealized gains and losses arising from exchange rates and unrealized gains arising from market price revaluation due to its positions in foreign currencies, gold, financial instruments, and other financial assets recorded in the income statement in line with the internationally recognized financial reporting framework as approved by the Governing Board, prior to distribution of profits.
- 95.** (1) Before the expiration of forty-five days after the end of each financial year, the Central Bank shall determine its net profits or losses, and distributable earnings. Profits, losses and distributable earnings
- (2) (a) The earnings available for distribution shall be determined by deducting from the net profits after tax the total amount of unrealized revaluation gains arising from price revaluations and unrealized revaluation gains and losses arising from exchange rates, and by allocating an equivalent amount to the respective unrealized revaluation reserve accounts.

(b) Unrealized revaluation losses arising from exchange rates shall be transferred to the respective unrealized revaluation reserve account until such revaluation reserve account has a zero balance, after which the losses shall be covered by the retained earnings.

Allocation of
distributable
earnings

96. (1) Before the expiration of sixty days after the end of each financial year, the Governing Board shall, based on the income statement, statement of financial position, statement of cash flows and statement of changes in equity of such financial year, allocate the distributable earnings in accordance with the following provisions:—

- (a) Firstly - the Central Bank may establish special reserves for such purposes as the Governing Board may deem fit;
- (b) Secondly - an amount equivalent to hundred *percent* of distributable earnings remaining after allocation to special reserves pursuant to the previous provision shall be credited to the general reserve account until the sum of the paid-up capital and general reserve is at least six *per centum* of the total monetary liabilities of the Central Bank; and
- (c) Thirdly - any remaining distributable earnings after compliance with the preceding provisions shall, as determined by the Governing Board in consultation with the Minister, either be applied in liquidation of any outstanding Government obligations to the Central Bank due as at the end of the financial year or be paid and credited to the Consolidated Fund.

(2) No distribution shall be made except as provided for in subsection (1).

Coverage of
shortfall in
capital

97. In the event, the audited annual financial statements of the Central Bank reflect that the value of its assets falls below the sum of its monetary liabilities and its paid-up capital-

- (a) the Central Bank shall, within a period not exceeding thirty days, assess the situation and prepare a report on the causes and extent of the shortfall and assess the situation;
- (b) in the event that the Governing Board approves the report prepared under paragraph (a), the Central Bank shall request the Minister for a capital contribution to be made by the Government to remedy the deficit with a view to restoring the capital to an unimpaired level; and
- (c) the Minister may, upon the request made under paragraph (b), seek the approval of the Parliament to transfer to the Central Bank the necessary amount in currency or in negotiable debt instruments with a specified maturity issued at prevailing market-related interest rates.

98. The Central Bank shall publish a general balance sheet showing the volume and composition of its assets and liabilities as at the last day of each month before the last day of the succeeding month.

Balance sheet of
the Central Bank

99. (1) The Central Bank shall prepare financial statements for a financial year.

Annual financial
statements

(2) Within four months after the close of each financial year, the Central Bank shall submit to the Minister, financial statements approved by the Governing Board, signed by the Governor of the Central Bank and the Chief Accountant and audited by the Auditor-General.

(3) The financial statements shall be laid before Parliament within fourteen days after the receipt thereof by the Minister, if Parliament is then in session, or, if Parliament is not in session, within fourteen days after the commencement of the next ensuing session.

(4) Upon completion of the requirements under subsection (2), the Central Bank shall publish the financial statements.

Budget

100. (1) Prior to the commencement of each financial year, the Governing Board shall approve the annual budget of the Central Bank.

(2) All revenue and income projected to be generated by the Central Bank or granted to the Central Bank from any source together with projected expenditures, including depreciation and provisions for losses, shall be included in the annual budget.

(3) The Governing Board shall make rules for the implementation of the annual budget.

PART XVII

INTERNAL AND EXTERNAL AUDITS

Auditing of the
accounts of the
Central Bank

101. (1) The accounts of the Central Bank shall be audited by the Auditor-General.

(2) The Auditor-General or any officer of the National Audit Office established under the National Audit Act, No. 19 of 2018, authorized in that behalf by the Auditor-General, or any other auditor appointed by the Auditor-General shall at all times have the right of access to and examination of the accounts of the Central Bank and of all books and documents containing information with respect to matters connected with such accounts.

(3) The Auditor-General shall report to the Governor of the Central Bank on main concerns arising from the audit and in particular on material weaknesses in internal controls relating to the financial reporting process.

(4) The Auditor-General shall submit an opinion on the accounts of the Central Bank to the Minister who shall lay such opinion before the Parliament. The opinion of the Auditor-General shall be published together with the annual audited financial statements of the Central Bank.

Appointment of
Chief Internal
Auditor

102. (1) A Chief Internal Auditor of the Central Bank (in this Act referred to as the “Chief Internal Auditor”) shall be appointed by the Governing Board.

(2) The Chief Internal Auditor shall be a person with substantive professional qualifications and experience in the field of Accounting or Audit.

(3) The Chief Internal Auditor shall be appointed for a term of five years and shall be eligible for reappointment for such period as may be determined by the Governing Board:

Provided however, no person shall serve as the Chief Internal Auditor for more than ten years.

(4) The Chief Internal Auditor shall be removed by a decision of the Governing Board if the Governing Board is satisfied that such Chief Internal Auditor is subject to any disqualification referred to in paragraphs (a) to (m), except paragraph (i) of subsection (2) of section 17.

(5) The Governing Board shall define the scope, terms and conditions of the Internal Audit in the Audit Charter of the Central Bank in line with international professional practices framework.

(6) The Chief Internal Auditor or an officer of the Internal Audit Department authorized in that regard shall, in the exercise, performance and discharge of his powers, duties and functions under this Act or as may be specifically directed by the Governing Board, be entitled to have access to, take into custody or obtain copies of any document, information or record of any activity or transaction undertaken by the Central Bank including any document, information or record provided to or obtained by the Central Bank from any external party or entity, and unless otherwise decided by the Governing Board, it shall be the duty of all officers and employees of the Central Bank to comply with the requirements communicated by the Chief Internal Auditor or a person authorized in that behalf.

(7) The internal audit reports of the Central Bank shall not be shared with any person other than the Auditor-General or a person authorized by the Governing Board.

Audit
Committee

103. (1) There shall be an Audit Committee of the Central Bank (in this Act referred to as the “Audit Committee”) consisting of such number of members of the Governing Board appointed pursuant to paragraph (b) of subsection (2) of section 8 as may be nominated by the Governing Board.

(2) (a) In the absence of at least one member of the Governing Board with extensive experience in the field of Accounting or Auditing, an expert with extensive experience in such field shall be appointed by the Governing Board as an additional member of the Audit Committee.

(b) The expert shall not have been a member of the Governing Board or an employee of the Central Bank during the period of three years immediately preceding the date of his appointment as a member of the Audit Committee.

(3) An expert appointed under paragraph (a) of subsection (2) shall be removed by a decision of the Governing Board if the Governing Board is satisfied that such expert is subject to any of the disqualifications referred to in subsection (2) of section 17.

(4) The powers, duties and functions of the Audit Committee shall include-

- (a) overseeing the internal audit function;
- (b) monitoring compliance with the findings and recommendations issued by the Chief Internal Auditor;
- (c) meeting with the auditors to discuss their findings; and
- (d) reviewing with the auditors the annual financial statements.

(5) The Audit Committee shall, once in four months report to the Governing Board.

(6) Subject to subsection (2), the Governing Board shall define the composition, and powers, duties and functions of the Audit Committee in the Audit Charter of the Central Bank.

PART XVIII

GENERAL PROVISIONS

104. The Central Bank shall, without prejudice to the provisions of section 6, support the general economic policy framework of the Government as provided for in any law with a view to encouraging and promoting the development of the productive resources of Sri Lanka.

Duty of the Central Bank to support the economic policy of the Government

105. (1) The Central Bank shall have the power to make such rules or issue such directions as it may consider necessary for exercising, performing and discharging the powers, duties and functions entrusted to the Central Bank by or under this Act or any other written law.

Regulatory instruments

(2) A rule made by the Central Bank shall have general application. It shall be binding in its entirety and directly applicable.

(3) A direction issued by the Central Bank shall be binding on the addressee only.

106. (1) Every rule or order made by the Central Bank under this Act shall be published in the *Gazette* and shall, except any rule or order specified in subsection (2), come into force on the date of such publication or on such later date as such rule or order shall specify.

Publication of rules and directions

(2) Upon the publication under subsection (1), every rule or order, the contravention of, or failure to comply with which, entails criminal sanction shall, within three months from the date of publication, be placed before Parliament for approval. Such rule or order shall come into force on the date on which such rule or order is approved by Parliament.

(3) The Central Bank shall maintain a public register of its published rules and directions.

Administrative
measures

107. (1) The Central Bank may take administrative measures on any person who contravenes any of the provisions of this Act or any rule, direction or decision made or issued thereunder.

(2) The Central Bank shall, before taking any administrative measures against a person, afford such person an adequate opportunity to be heard providing all material facts pertaining to the contravention referred to in subsection (1).

(3) (a) The Central Bank shall make rules specifying the procedure to be followed in respect of the imposition of administrative measures.

(b) In the case of administrative fines, the amount of administrative fines shall be prescribed by the Governing Board.

(c) Every rule made under this subsection shall be placed before Parliament for approval.

(d) Every rule made under this subsection shall come into force on the date on which such rule is approved by Parliament.

(4) In determining whether to impose administrative measures, and the extent of such measures, the Central Bank shall take into consideration-

(a) the severity of the contravention and whether such contravention is recurring;

(b) whether any loss or damage is caused to the depositors or any other person due to such contravention;

- (c) whether the person against whom a penalty is to be imposed is unduly benefitted from such contravention;
- (d) the financial resources of such person;
- (e) any mitigating factors; and
- (f) such other matters as it considers to be relevant.

(5) Notwithstanding anything in any written or other law, no person shall 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 other person by reason of any act or thing done or omitted to be done by such person in carrying out or complying with any provision of this Act or any rule, order or direction made or issued under this Act.

(6) For the purpose of this section, “administrative measures” includes administrative fines, written warnings or orders, suspension and dismissal of administrators of financial institutions, revocation of licences and other measures, as specified in this Act.

108. (1) Where an employee of the Central Bank or a qualified person authorized by the Central Bank is satisfied, after examination by himself or any examiner of the affairs of any banking institution, or upon information received from the banking institution, that the banking institution 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 creditors, the employee of the Central Bank or the qualified person authorized by the Central Bank shall make a report accordingly to the Governor of the Central Bank for submission to the Central Bank.

Power of the Central Bank to suspend or restrict business of a banking institution

(2) Where the Central Bank, upon review of the facts and circumstances, is of opinion that action should be taken as hereinafter provided, the Central Bank may make Order directing the banking institution forthwith to suspend business in Sri Lanka and directing an employee of the Central Bank or a qualified person authorized by the Central Bank to take charge of all books, records and assets of the banking institution and to take such measures as may be necessary to prevent the continuance of business by the banking institution.

(3) Subject to the provisions of Articles 126 and 140 of the Constitution, no action or proceeding may be instituted in any court for the purpose of securing the review or revocation of any Order made under subsection (2) or in respect of any loss or damage incurred, or likely to be or alleged to be incurred, by reason of such Order.

(4) An Order made by the Central Bank under subsection (2) in respect of any banking institution 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 Central Bank, as soon as practicable and in any event before expiration of the said period—

- (a) to make Order permitting the banking institution to resume business, either unconditionally or subject to such conditions as the Central Bank may consider necessary in the public interest or in the interest of the depositors and other creditors of the banking institution;
- (b) to cause an employee of the Central Bank or a qualified person authorized by the Central Bank to make an application to the competent court under such written law as may be applicable in that behalf for the winding up of the banking institution; or

- (c) to cause an employee of the Central Bank or a qualified person authorized by the Central Bank to make an application to the competent court, to wind up the affairs of a branch of the banking institution, incorporated outside Sri Lanka.

(5) Where an order has been made by the Central Bank under subsection (4) permitting the resumption of business by any banking institution subject to such conditions as may be specified in the Order, the competent court may, on an application made to it in that behalf by the banking institution at any time while the Order is in force, make an order permitting the banking institution to resume business unconditionally, or varying or altering, in such manner as the court may determine, any or all of the conditions specified by the Central Bank, and any such order shall have effect notwithstanding anything in the Order made by the Central Bank under subsection (4).

(6) The employee of the Central Bank or the qualified person authorized by the Central Bank shall be named respondent to any such application and shall be entitled on behalf of the Central Bank to be heard and to adduce evidence at the hearing thereof.

(7) Where an application is made by an employee of the Central Bank or a qualified person authorized by the Central Bank as provided for in subsection (4) for the winding up of any banking institution-

- (a) the banking institution shall not carry on business during the pendency of the application unless it is authorized so to do by the court and except in accordance with such conditions, if any, as may be specified by the court; and
- (b) the court, if it is of opinion after such inquiry as it may consider necessary, that the banking

institution is not insolvent, may make an order permitting the banking institution 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 banking institution.

(8) Every order made by a competent court under this section shall be subject to an appeal to the Court of Appeal and the provisions of the Civil Procedure Code relating to appeals in civil actions shall *mutatis mutandis* apply in the case of any such appeal:

Provided however, an order under paragraph (b) of subsection (7) shall be final and shall not be subject to appeal.

(9) Every application to a competent court under this section shall be deemed to be an action of the value of five thousand rupees.

(10) In this section—

“competent court”, in relation to any banking institution, means the High Court established by Article 154P of the Constitution and exercising civil jurisdiction under the High Court of the Provinces (Special Provisions) Act, No. 10 of 1996.

(11) Where the business of a banking institution has been suspended under subsection (2), the Central Bank may—

- (a) require such banking institution to forthwith take any action or to do any act or thing which the Central Bank may consider necessary for carrying on the business of such banking institution;
- (b) appoint a fit and proper person to advise such banking institution with regard to the proper conduct of the business of such banking institution;

- (c) assume control of, and carry on the business of such banking institution or delegate to another person, the carrying on of the business of the banking institution;
- (d) reorganize such banking institution by increasing its capital and arranging for new shareholders and by the reconstitution of its board of directors; and
- (e) make such arrangements as are necessary for the amalgamation of such banking institution with any other banking institution that consents to such amalgamation.

(12) (a) Where an Order has been made by the Central Bank under subsection (1) of section 76M of the Banking Act, No. 30 of 1988 in respect of a licensed specialised bank, the provisions of subsections (4), (5), (7), (8), (9), (10) and (11) of this section shall, notwithstanding subsections (3) and (4) of section 76M of the Banking Act and subject to paragraph (ii) of this subsection, *mutatis mutandis*, apply to such bank as if it were a banking institution.

(b) Where the application of the provisions of subsection (4) of this section requires -

- (i) the winding up of a licensed specialised bank, the Central Bank shall cancel the licence issued to such bank under Part IXA of the Banking Act and the provisions of Part VIII of that Act shall apply to such winding up as if it were a compulsory winding up of the bank, in the case of a bank incorporated or established within Sri Lanka or a compulsory winding up of the affairs or closure of the business of the bank, in the case of a bank incorporated outside Sri Lanka; or
- (ii) the resumption of business of a licensed specialized bank, the Central Bank may exercise the powers conferred on it under section 76N of the Banking Act;

(c) In this subsection “licensed specialised bank” shall have the same meaning as in the Banking Act, No. 30 of 1988.

Training

109. The Central Bank shall promote and sponsor the training of technical personnel on the subjects which are relevant to the operations of the Central Bank, and for that purpose, the Central Bank is hereby authorized to defray the costs of study, in Sri Lanka or abroad, of employees of the Central Bank who are of proven merit, or of any other qualified persons selected by the Central Bank.

Offences under
this Act

110. (1) Any person who contravenes or fails to comply with any provision of this Act commits an offence under this Act.

(2) Any person who contravenes or fails to comply with any provision of any rule or order made under this Act, the contravention of, or failure to comply with which entails criminal sanction, commits an offence under this Act.

(3) Where an offence under this Act is committed by a body corporate, then every person who at the time of the commission of the offence was a director or an officer of such body corporate shall be deemed to have committed that offence unless such person proves that the offence was committed without such person’s knowledge, or that such person exercised all due diligence to prevent the commission of such offence.

Penalty

111. Any person who commits an offence under this Act shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding twenty-five million rupees or to imprisonment of either description for a term not exceeding three years, or to both such fine and imprisonment.

Compounding
offences

112. The Governing Board may, having regard to the circumstances in which an offence under this Act was committed, compound such offence for a sum of money not exceeding one half of the maximum fine specified under this Act for such offence.

113. (1) The Central Bank may collect fees or charges for the services which it renders in the exercise, performance and discharge of the powers, duties and functions under this Act.

Fees and charges

(2) The Central Bank shall publish such fees or charges in its official website.

(3) The Central Bank shall be reimbursed at market rates for any expenditure incurred by it at the request of or on behalf of the Government, for rendering any service other than those specifically provided for in this Act.

114. (1) Except as otherwise specifically authorized by this Act or any other written law, the Central Bank shall not-

Prohibited activities

- (a) grant any credit, except as authorized under this Act or make any monetary or financial gain;
- (b) engage in trade or otherwise have a direct interest in any commercial, industrial, or other undertaking except where such interest is acquired in satisfaction of any of its claims:

Provided however, all such interest shall be disposed of at the earliest possible opportunity;

- (c) purchase the shares of any other bank or financial institution or of any company, or grant loans or advances upon the security of any such shares;
- (d) grant loans or advances on the mortgage of, or otherwise on the security of, immovable property or documents of title relating thereto; or
- (e) acquire by purchase, lease, or otherwise any right in or to real property, except as it may consider necessary or expedient for the provision of premises for the conduct of its administration and operations or such other requirements incidental to the discharging of its functions.

(2) Notwithstanding the provisions of subsection (1), the Central Bank may-

- (a) make adequately secured loans to, or have an ownership share or otherwise participate in, any organization that is engaged in activities that are required for the proper discharge of the functions of the Central Bank and including an ownership share or otherwise participate in any company which, in the opinion of the Governing Board, was formed for the advancement and promotion of human resources and technological development in the banking and financial sector in Sri Lanka, or to provide for all or any of the facilities;
- (b) grant loans to any employee of the Central Bank, in accordance with rules made by the Governing Board;
- (c) establish employee retirement funds or similar arrangements for the benefit or protection of the employees of the Central Bank and their dependents and nominees, and manage such funds or arrangements; and
- (d) lease out any property that is not immediately required for the purposes of the Central Bank.

(3) Any activity referred to in paragraph (a) of subsection (2) shall be published by the Central Bank in the report referred to in subsection (3) of section 80.

Provisions of
this Act to
prevail over
other written law

115. Subject to the provisions of subsection (6) of section 119, the provisions of this Act shall have effect notwithstanding anything to the contrary in any other written law and accordingly, in the event of any inconsistency or conflict between the provisions of this Act and such other written law, the provisions of this Act shall prevail.

116. Notwithstanding anything to the contrary in any other written law – Tax exemption

- (a) the Central Bank shall be exempt from the payment of income tax;
- (b) all goods of any description imported or purchased out of bond by the Central Bank shall be exempt from customs duty; and
- (c) the Central Bank shall be exempt from the payment of stamp duty on any instrument executed by, or on behalf of, or in favour of the Central Bank in cases where, but for this exemption, the Central Bank would be liable to pay the duty chargeable in respect of such instrument.

117. (1) The Central Bank shall have the first priority and an unconditional preferential right against all other claims to satisfy each of its claims arising from the discharge of its functions from any cash balances, securities and other assets that it holds for the account of the debtor concerned, whether as collateral to secure its claims or otherwise, at the time such claim becomes due and payable. Preferential right

(2) The Central Bank may exercise its preferential right only by appropriating the cash balances by way of compensation and by selling securities and other assets without undue delay in a commercially reasonable manner and paying itself from the proceeds of the sale after deducting therefrom the costs associated with the sale.

(3) No action from any court of law or from any public entity shall be required for the Central Bank to exercise its preferential right under subsection (2), and no other claim shall be permitted to delay the exercise by the Central Bank of its preferential right in accordance with subsection (2).

Immunity from
prejudgment
attachment

118. (1) No attachment or execution shall be issued against the Central Bank or its property, including gold, special drawing rights, currency, credits, deposits or securities, and any proceeds thereof, before the issuance of a final judgment by any court of law established in Sri Lanka.

(2) The Central Bank may, at its discretion, waive the protection either in whole or in part, explicitly and in writing, except with respect to its gold and the special drawing rights.

Confidentiality

119. (1) No person who serves or has served as the Governor of the Central Bank, any other member of the Governing Board and Monetary Policy Board, a member of the Financial System Oversight Committee, or an employee of the Central Bank or in any other capacity under the authority of the Central Bank shall, except in the exercise, performance and discharge of such person's powers, duties and functions under this Act or any other written law, permit access to, disclose or publicize any non-public information which he has obtained in the performance of his duties or use such information, or allow such information to be used, for personal gain.

(2) Notwithstanding the provisions of subsection (1), any person referred to in that subsection may disclose non-public information outside the Central Bank, in accordance with procedures established by the Governing Board, if such disclosure-

- (a) is made in accordance with the written consent of the natural or legal person to whom such information relates;
- (b) is made as required by a court of law or to comply with any other provisions of this Act or any other written law for the time being in force;

- (c) is made to the external auditors of the Central Bank to such extent as is necessary to conduct the audit of the Central Bank;
- (d) is made to provide information to domestic or foreign regulatory, supervisory, or monetary authorities, or to public international financial institutions, in the exercise of their duties in relation to the Central Bank; or
- (e) is required in the interests of the Central Bank in any legal proceedings.

(3) The Governing Board shall be entitled to determine the classification and accessibility of information held by or drawn up by the Central Bank.

(4) Where, in any legal proceedings, a certified copy of any book or document of the Central Bank or of any entry in such book or document is produced, such certified copy shall be received as *prima facie* evidence of the existence of such book, document or entry, as the case may be, and shall be admitted as evidence of the matters, transactions or accounts therein recorded in every case where, and to the same extent as, the original book, document or entry is now by law admissible, but not further or otherwise.

(5) In this Section, “certified copy” in relation to any book, document or entry, means a copy of such book, document or entry, together with a certificate written at the foot of such copy-

- (a) that it is a true copy of such book, document or entry;
- (b) that such book or document is still in the custody of the Central Bank; and

- (c) that such entry is contained in one of the ordinary books of the Central Bank, and was made in the usual and ordinary course of business,

and such certificate being dated and subscribed with the name and official title of such officer as may be authorized for the purpose by the Governor of the Central Bank.

(6) The provisions of the Right to Information Act, No. 12 of 2016 shall have effect notwithstanding anything to the contrary in this Act, and accordingly in the event of any inconsistency or conflict between the provisions of the Right to Information Act and this Act, the provisions of the Right to Information Act shall prevail in relation to any information of the Central Bank.

Protection from
action

120. No civil or criminal proceedings shall be instituted against the Governor of the Central Bank, members of the Governing Board and Monetary Policy Board, any employee of the Central Bank, or a person who previously held such a position, for any act which in good faith is done or purported to be done by him under this Act pursuant to and in the course of the exercise, performance and discharge of the powers, duties and functions on behalf of the Central Bank, if he proves that he acted in good faith and exercised all due diligence, reasonable care and skill.

Indemnification
for costs in legal
proceedings

121. (1) The Governor of the Central Bank, other members of the Governing Board and Monetary Policy Board, employees of the Central Bank, every person who has been a member of any of such Board or an employee of the Central Bank shall be indemnified by the Central Bank for all losses and expenses incurred by him after appointed date in or about the exercise, performance and discharge of his powers, duties and functions under this Act, other than such losses and expenses as the Governing Board may deem to have been constituted due to his misconduct or willful default.

(2) For the purpose of subsection (1), every person who has the benefit of such indemnity shall be entitled to seek legal advice or obtain legal representation in respect of any inquiry or investigation conducted by any statutory authority or any legal proceedings instituted against such person. The Central Bank shall pay such cost as may be reasonably incurred in respect of such inquiry or investigation or proceedings, as and when such cost is incurred:

Provided however, where it is held that a person is not entitled to be indemnified by the Central Bank due to misconduct or willful default on the part of such person, he shall be forthwith required to reimburse the Central bank on demand, the total cost so incurred by the Central Bank. The amount so demanded shall constitute a debt due from such person to the Central Bank until reimbursed.

122. The Governor of the Central Bank, other members of the Governing Board and Monetary Policy Board and the employees of the Central Bank shall be deemed to be public servants within the meaning and for the purpose of the Penal Code (Chapter 19).

Members and employees deemed to be public servants

123. The Central Bank shall be deemed to be a Scheduled Institution within the meaning of the Bribery Act (Chapter 26) and the provisions of that Act shall be construed accordingly.

Central Bank deemed to be a Scheduled Institution.

124. In this Act, unless the context otherwise requires—

Interpretation

“banking institution” means—

- (a) any commercial bank;
 - (b) any agency or institution acting on behalf of the Government (whether established by any written law or otherwise) which makes loans, advances or investments or accepts deposits of money from the public;
- or

- (c) any other person or body of persons 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 this Act;

“commemorative currency note or coin” means a currency note or coin issued to commemorate any person or special event;

“currency” means all currency issued and in circulation in accordance with the provisions of this Act;

“dealer direct participant” and “direct participant” shall have the respective meanings assigned to them in the Local Treasury Bills Ordinance (Chapter 417) and the Registered Stock and Securities Ordinance (Chapter 420);

“deposit liabilities” means all those liabilities of a licensed commercial bank, being demand deposits, special deposits, savings deposits, time deposits, placements made by any institution other than a licensed commercial bank in the inter-bank call money market, margins against letter of credit and special deposit schemes including pension funds, children’s deposit schemes and other schemes of a similar nature, and funds held in trust or on behalf of its constituents consequent to deposits, but does not include inter-commercial bank deposits;

“financial institution” means -

- (a) any licensed commercial bank within the meaning of the Banking Act, No. 30 of 1988;

- (b) any licensed specialized bank within the meaning of the Banking Act, No. 30 of 1988;
- (c) any licensed finance company within the meaning of the Finance Business Act, No. 42 of 2011;
- (d) any registered finance leasing establishment within the meaning of the Finance Leasing Act, No. 56 of 2000;
- (e) any money broker within the meaning of the Money Brokering Regulations issued or deemed to have been issued under this Act;
- (f) any primary dealer within the meaning of the Registered Stock and Securities Ordinance (Chapter 420) or the Local Treasury Bills Ordinance (Chapter 417);
- (g) any authorized or restricted dealer within the meaning of the Foreign Exchange Act, No. 12 of 2017; or
- (h) any other financial institution as may be assigned to the Central Bank by any written law for the time being in force,

regulated and supervised by the Central Bank;

“financial market” means an organized institutional structure or mechanism for creating and exchanging financial assets;

“financial market infrastructure” includes a multilateral system among participating institutions, including the operator of the system, used for the purposes of clearing, settling or recording payments, securities, derivatives or other financial transactions;

“financial sector authority” means any authority established by law for the regulation or supervision of a financial sector participant;

”financial sector participant” means –

- (a) any licensed commercial bank within the meaning of the Banking Act, No. 30 of 1988;
- (b) any licensed specialized bank within the meaning of the Banking Act, No. 30 of 1988;
- (c) any licensed finance company within the meaning of the Finance Business Act, No. 42 of 2011;
- (d) any registered finance leasing establishment within the meaning of Finance Leasing Act, No. 56 of 2000;
- (e) any money broker within the meaning of the Money Brokering Regulations made or deemed to have made under this Act;
- (f) any primary dealer within the meaning of the Registered Stock and Securities Ordinance (Chapter 420) or the Local Treasury Bills Ordinance (Chapter 417);
- (g) any authorized or restricted dealer within the meaning of the Foreign Exchange Act, No. 12 of 2017;
- (h) any insurance company within the meaning of the Regulation of Insurance Industry Act, No. 43 of 2000;
- (i) any insurance broker or loss adjuster within the meaning of the Regulation of Insurance Industry Act, No. 43 of 2000;

- (j) any institutional agent within the meaning of the Regulation of Insurance Industry Act, No. 43 of 2000;
- (k) any stock exchange within the meaning of the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021;
- (l) any stock broker or stock dealer within the meaning of the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021;
- (m) any managing company operating a unit trust within the meaning of the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021;
- (n) any person who carries on business as a market intermediary within the meaning of the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021; or
- (o) any other financial institution as may be assigned to the Central Bank by any written law for the time being in force;

“financial system” means a network of financial institutions and markets dealing in a variety of financial instruments that are engaged in money transmission and lending and borrowing of funds through financial market infrastructure;

“Government” means the Government of the Democratic Socialist Republic of Sri Lanka;

”Insurance Regulatory Commission of Sri Lanka” means the Insurance Regulatory Commission of Sri Lanka established under the Regulation of Insurance Industry Act, No. 43 of 2000;

“Minister” means Minister assigned the subject of Finance;

“monetary liabilities” means the reserve money including currency in circulation, deposits held by licensed commercial banks and government agencies in the Central Bank and such other liabilities as may be determined by the Central Bank from time to time, having regard to all types of liabilities available at the Central Bank and the analytical use of the monetary base;

“money supply” means all currency, demand deposits, time and savings deposits and such other financial assets as may be prescribed by the Central Bank from time to time and are owned by persons other than the Government, (commercial) banks and such financial institutions or categories of financial institutions as may be prescribed by the Central Bank;

“note” means a currency note issued by the Central Bank, including a currency note issued or deemed to be issued by the Board of Commissioners under the Currency Ordinance, No. 21 of 1941;

“other financial liabilities” in relation to a financial institution, means liabilities (other than deposit liabilities) incurred by such financial institution by the acceptance of money in any form from the public, in the course of its business, by the issue of bills of exchange, promissory notes, bonds, certificates, notes, commercial papers or any other similar instrument by means of which money is raised from the public;

“person” includes any officer of any department of the Government and any body of persons, corporate or unincorporate, whether established or constituted by or under any written law or otherwise;

“prescribed” means prescribed by rules;

“public authority” or “public entity” includes a Ministry, Department, Provincial Ministry, Provincial Department, local authority, public corporation and a company in which the Government or a public corporation or a local authority holds fifty *per centum* or more of the shares of that company;

“public corporation” means any corporation, board or other body which is or was established by or under any written law other than the Companies Act, No. 07 of 2007, with funds or capital wholly or partly provided by the Government, by way of grant, loan or otherwise;

“public international financial institution” includes the Asian Development Bank, International Bank for Reconstruction and Development, and the International Monetary Fund;

“resident” means -

- (a) a citizen of Sri Lanka residing in Sri Lanka;
- (b) an individual who has been in Sri Lanka for a period not less than one hundred and eighty-three days in aggregate in any twelve months period;
- (c) a company incorporated in Sri Lanka or a body corporate established by or under any written law, or any firm, partnership or other organization in Sri Lanka; or
- (d) a branch, subsidiary, affiliate, extension, office or any other unit of a company or other legal person established by or under the law of any foreign country and operating in Sri Lanka;

“scripless securities” means securities issued in scripless form;

“Secretary to the Treasury” means the Secretary to the Ministry of the Minister assigned the subject of Finance;

“securities” includes –

- (a) treasury bills issued in accordance with the provisions of the Local Treasury Bills Ordinance (Chapter 417), whether issued in scripless form or otherwise;
- (b) registered stock or securities issued in accordance with the provisions of the Registered Stock and Securities Ordinance (Chapter 420), whether issued in scripless form or otherwise; and
- (c) any security of the Central Bank, whether issued in scripless form or otherwise, except for the purpose of paragraph (a) of subsection (5) of section 59;

“securities account” means an account maintained by a participant with the Central Bank;

“Securities and Exchange Commission of Sri Lanka” means the Securities and Exchange Commission of Sri Lanka established under the Securities and Exchange Commission of Sri Lanka Act, No. 19 of 2021;

“settlement account” means an account maintained by a participant with the Central Bank under this Act and used for the purposes of the system with the approval of the Central Bank; and

“special deposits” means all those deposit liabilities of a commercial bank arising out of monies deposited in any special account.

PART XIX

REPEALS AND SAVINGS

125. The Monetary Law Act (Chapter 422) is hereby repealed.

Repeal of the Monetary Law Act (Chapter 422)

126. (1) The Governor of the Central Bank appointed under the provisions of the Monetary Law Act (Chapter 422) and holding office on the day immediately prior to the appointed date shall be deemed to be and continue to be the Governor of the Central Bank under this Act, and shall continue to serve in such office until the expiration of the term of his office.

Continuation of terms of office

(2) The members of the Monetary Board appointed under the provisions of the Monetary Law Act (Chapter 422), except the Secretary to the Treasury appointed under that Act and holding office on the day immediately prior to the appointed date shall be deemed to be the members of the Governing Board under this Act, and shall continue to be members of the Governing Board under this Act until the expiration of the term of their respective offices.

(3) The persons who continue to be the Governor of the Central Bank or the members of the Governing Board in terms of the provisions of subsections (1) and (2) shall be eligible for reappointment to any office under this Act:

Provided however, any such person shall not serve for a term exceeding twelve years including the period such person served as the Governor of the Central Bank or an appointed member, under the provisions of the Monetary Law Act (Chapter 422).

Provisional
advances

127. (1) Notwithstanding the prohibition in section 86 of this Act, the Central Bank may make new direct provisional advances to the Government to finance expenditures authorized to be incurred out of the Consolidated Fund within the first month of the financial year:

Provided however, every such new advance shall be repaid within a period of not exceeding six months and the total amount of such advances outstanding shall not exceed ten *per centum* of the revenue of the first four months of the preceding financial year as reported in the half yearly report published by the Ministry of the Minister under the Fiscal Management (Responsibility) Act, No. 3 of 2003 for the relevant period.

(2) Such new advances shall bear interest at prevailing market-related rates as determined by the Central Bank.

(3) Such new advances shall not be made to refinance the outstanding credit of the Central Bank to the Government on the appointed date.

(4) The provisions of subsections (1), (2) and (3) of this section shall be effective until such time provisions are made by law for the Government to finance its immediate fiscal requirements.

Central Bank to
purchase
securities issued
by the
Government

128. Notwithstanding the prohibition in subsection (4) of section 86, the Central Bank may purchase securities issued by the Government in the primary market, bearing interest at prevailing market-related rates, within a period of eighteen months from the appointed date:

Provided however, such securities shall mature or be redeemed within a period of one year from the appointed date and the total amount of such securities purchased shall not exceed one-tenth of the limit of the Treasury Bills approved by Parliament.

129. (1) Notwithstanding the prohibition in subsections (1) and (4) of section 86, any outstanding credit of the Central Bank to the Government and any holding of securities purchased on the primary market as at the appointed date may be maintained.

Transitory credit to the Government

(2) The Central Bank shall, in consultation with the Minister, convert any outstanding credit of the Central Bank to the Government and any outstanding securities purchased on the primary market as at the appointed date, over a period of one year immediately succeeding such date, into negotiable debt instruments with a specified maturity period on which the Central Bank shall, as much as possible, sell such debt instruments under its monetary policy.

130. Notwithstanding the provisions of sections 96 and 97, if from the appointed date the latest audited financial statements of the Central Bank prior to the appointed date reflect that the values of its assets are below the sum of its monetary liabilities and paid-up capital, and in accordance with the Government's financial position, it is unable to transfer to the Central Bank the necessary amount in currency or in negotiable debt instruments pursuant to section 97, the Central Bank shall not be required to pay and credit any remaining distributable earnings pursuant to paragraph (c) of subsection (1) of section 96 to the Consolidated Fund, but such distributable earnings shall instead be applied to restore its capital to an unimpaired level:

Application of distributable earnings to restore the capital

Provided however, if the capital of the Central Bank is or continues to be impaired after a period of six years from the appointed date, the provisions of section 97 shall be applicable.

131. Notwithstanding the provisions of paragraph (a) of subsection (1) of section 114, any outstanding credit granted to credit institutions pursuant to section 88A of the Monetary Law Act (Chapter 422) and any credit guarantee given under section 108 or 108A of the said Act shall be maintained under this Act subject to the terms and conditions as agreed.

Transitory credit to credit institutions in respect of lending operations carried out for productive purposes

Central Bank to continue to act as agent of the Government

132. Notwithstanding the repeal of the Monetary Law Act (Chapter 422), the Central Bank shall continue to act as agent of the Government pursuant to sections 112 and 113 of the repealed Act, which shall be limited only in respect of the issuance of securities of the Government for the account of the Government and in respect of the management of public debt, until such date as the relevant law relating to public debt management agency or office comes into operation.

Rights and obligations of the Monetary Board

133. (1) Any right or obligation attributed to the Monetary Board under the Monetary Law Act (Chapter 422) or any other law prior to the appointed date shall be assumed by the Central Bank under this Act, except as provided otherwise.

(2) Any action, regulation or decision taken or issued or made by the Monetary Board under the Monetary Law Act (Chapter 422) or any other law prior to the appointed date, shall be deemed to have been taken or issued or made by the Central Bank under this Act, except as provided otherwise.

Savings

134. With effect from the appointed date, notwithstanding any provision in any other law-

- (a) the capital of the Central Bank under the Monetary Law Act (Chapter 422) (in this Act referred to as the “repealed Act”) on the day immediately preceding the appointed date shall be deemed to be the capital of the Central Bank under this Act as at the appointed date;
- (b) the employees of the Central Bank under the repealed Act, holding office on the day immediately preceding the appointed date shall be deemed to be the employees of the Central Bank under this Act with effect from the appointed date and such employees shall continue to hold office in the

Central Bank under this Act on terms and conditions not less favourable than the terms and conditions attaching to the respective office held by them on the day preceding the appointed date;

- (c) all currency notes and coins including commemorative notes and coins issued by the Central Bank and the holding of its own notes and coins as part of its currency issue under the repealed Act and subsisting on the day immediately preceding the appointed date, shall be deemed to be the currency notes and coins issued and held by the Central Bank as the case may be under this Act;
- (d) all payment, clearing and settlement systems established and operated by the Central Bank under the repealed Act or any other written law, and existing on the day immediately preceding the appointed date shall be deemed, with effect from the appointed date, to be payment, clearing and settlement systems established and operated by the Central Bank under this Act;
- (e) all examinations, audits, inquiries or investigations initiated by the Central Bank or any of its officers under the repealed Act and pending on the day immediately preceding the appointed date shall be deemed, with effect from the appointed date, to be examinations, audits, inquiries or investigations conducted or being conducted, as the case may be, initiated by the Central Bank or such officer under this Act;
- (f) all contracts, deeds, bonds, agreements, guarantees, powers of attorney, grants of legal representation and other instruments of whatever nature entered into by the Central Bank, the Monetary Board or any other officer of the Central Bank authorized by the Monetary Board under the repealed Act, and

subsisting and having effect on the day immediately preceding the appointed date and to which the Central Bank or the Monetary Board or any authorized officer is a party or which are in favour of the Central Bank shall be deemed with effect from the appointed date to be contracts, deeds, bonds, agreements, guarantees, powers of attorney, grants of legal representation and other instruments entered into by or granted in favour of the Central Bank under this Act;

- (g) unless specifically suspended or cancelled or withdrawn in the manner provided for in this Act or in any other written law, all licences, registrations, rules, regulations, directions, determinations, orders, approvals or refusals, notices, circulars, operating instructions or any other written communication made or issued by the Central Bank or the Monetary Board or any officer of the Central Bank authorized by the Monetary Board under the repealed Act, and subsisting or having effect on the day immediately preceding the appointed date shall be deemed with effect from the appointed date to be licences, registrations, rules, regulations, directions, determinations, orders, approvals or refusals, notices, circulars, operating instructions or any other written communication made or issued by the Central Bank under this Act;
- (h) all applications, actions, proceedings or appeals of whatever nature instituted under the provision of any law by or against the Central Bank, the Monetary Board, its members or any officer of the Central Bank under the repealed Act and pending on the day immediately preceding the appointed date shall be deemed as from the appointed date, to be applications, actions, proceedings or appeals instituted by or against the Central Bank or any officer thereof under this Act and may be continued accordingly;

- (i) all judgments, decrees or orders entered in favour of, or against the Central Bank or the Monetary Board or any officer of the Central Bank under the repealed Act by any court or tribunal in any action or proceeding shall be deemed with effect from the appointed date, to be judgments, decrees or orders entered in favour of, or against the Central Bank or such other officer of the Central Bank under this Act;
- (j) all reserves maintained by the Central Bank for the purposes of the provisions of the repealed Act or any other written law or any regulatory requirement issued thereunder or otherwise, on the day immediately preceding the appointed date shall be deemed with effect from the appointed date to be reserves of the Central bank under this Act, held for such purpose;
- (k)
 - (i) all property immovable and movable and tangible and intangible, of the Central Bank (including cash balances, reserve funds, investments, intellectual properties, and deposits);
 - (ii) all liabilities, including deposits and contingent liabilities, of the Central Bank;
 - (iii) all rights, powers, privileges, authorities, obligations, duties and interests arising in or out of, such property and such liabilities;
 - (iv) all books, accounts and documents relating or appertaining to the Central Bank or to any property of the Central Bank,

under the repealed Act, and subsisting on the day immediately preceding the appointed date, shall be deemed as from the appointed date to be

property, liabilities, rights, powers, privileges, authorities, obligations, duties, interests, books, accounts and documents of the Central Bank under this Act;

- (l) all exemptions, refunds, losses, concessions, reliefs, benefits of taxes, duties, levies or any other monetary benefit entitled or enjoyed by the Central Bank under the repealed Act and subsisting on the day immediately preceding the appointed date shall be deemed as from the appointed date, exemptions, refunds, losses, concessions, reliefs, benefits of taxes, duties, levies or any other monetary benefit entitled or enjoyed by the Central Bank under this Act; and
- (m) with effect from the appointed date, every reference to the Central Bank, the Monetary Board or any officer of the Central Bank under the repealed Act given in any Act, regulation, notification, contract, instrument, record, share certificate, document, deed, bond, agreement, guarantee, power of attorney, grant of legal representation and other instrument of whatever nature shall be deemed to be a reference to the Central Bank or any such officer of the Central Bank under this Act to give effect to the provisions thereof.

Sinhala text to prevail in case of inconsistency

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
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**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

**BANKING (SPECIAL PROVISIONS)
ACT, No. 17 OF 2023**

[Certified on 14th of September, 2023]

Printed on the Order of Government

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*Banking (Special Provisions)
Act, No. 17 of 2023*

[Certified on 14th of September, 2023]

L.D.–O. 48/2022

AN ACT TO PROVIDE FOR THE RESOLUTION AUTHORITY OF THE CENTRAL BANK AND THE RESOLUTION MEASURES THAT CAN BE IMPLEMENTED BY THE CENTRAL BANK AND THE GOVERNMENT OF SRI LANKA TO RESOLVE A LICENSED BANK SUBJECT TO CAPITAL, LIQUIDITY, INSOLVENCY OR ANY OTHER RISK IN A TIMELY MANNER; TO REVIVE SUCH BANK AS A GOING CONCERN TO ENSURE THE INTERESTS OF THE DEPOSITORS AND CREDITORS THEREOF ENSURING THE FINANCIAL SYSTEM STABILITY; TO PROVIDE FOR A DEPOSIT INSURANCE SCHEME AND WINDING UP PROCESS FOR SUCH LICENSED BANKS; 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. (1) This Act may be cited as the Banking (Special Provisions) Act, No. 17 of 2023.

Short title and
date of
operation

(2) The provisions of this Act other than the provisions of this section shall come into operation on such date as the Minister may appoint by Order published in the *Gazette* (in this Act referred to as the “appointed date”).

(3) The provisions of this section shall come into operation on the date on which the Bill becomes an Act of Parliament.

2. Notwithstanding anything to the contrary in any other written law for the time being in force, provisions of this Act shall apply in the exercise, performance and discharge of the powers, duties and functions relating to the authority vested with the Central Bank to resolve banks licensed under the Banking Act (in this Act referred to as the “licensed banks”).

Application of
the Act

PART I

RESOLUTION AUTHORITY OF THE CENTRAL BANK

Resolution
authority of the
Central Bank

3. The Central Bank shall be responsible for the exercise of resolution authority in respect of licensed banks under this Act.

Establishment of
a department for
the purpose of
resolution of
licensed banks

4. (1) For the purposes of this Act, the Central Bank shall establish a Department under the Central Bank, for the proper and efficient exercise, performance and discharge of its powers, duties and functions relating to the resolution authority under this Act.

(2) The Department established under subsection (1) shall not carry out regulatory and supervisory functions over licensed banks under any written law.

Exercise,
performance
and discharge of
resolution
authority by the
Central Bank

5. (1) In the exercise, performance and discharge of the powers, duties and functions relating to its resolution authority, the Central Bank shall take into consideration, the structure, scale, complexity, interconnectedness with other institutions, and the risk profile of the licensed bank subject to resolution.

(2) The Central Bank shall have the power to require any person to provide any information necessary for the Central Bank to decide upon and formulate resolution measures, including updates and supplements of information relating to the resolution plan, and information collected through on-site examinations.

(3) Any licensed bank, regulatory or supervisory authority, or such other person on whom any Order, regulation, direction, determination, guideline or instruction has been issued or a request has been made by the Central Bank under this Act, shall comply with such Order, regulation, direction, determination, guideline or instruction or request forthwith or not later than the time period specified therein.

(4) Every regulatory and supervisory department of the Central Bank shall extend cooperation to the Department established under section 4 to expeditiously facilitate the relevant regulatory or supervisory approvals required to implement the resolution measures prepared under this Act.

6. (1) The provisions of any one or more enactments specified in the Schedule to this Act or any part of such provisions relating to resolution, winding up or deposit insurance shall have no application in the exercise, performance and discharge of the powers, duties and functions of the Central Bank on a licensed bank subject to resolution under this Act in securing compliance with the provisions of this Act and any other regulation, Order, direction, determination, guideline or instruction issued or made thereunder by the Central Bank.

Exclusion of the application of certain other enactments

(2) Notwithstanding the Central Bank exercising the resolution authority under this Act, the regulatory requirements applicable to any licensed bank under the Banking Act or any regulation, Order, direction, determination, guideline or instruction issued or made thereunder, shall continue to apply in respect of such licensed bank subject to resolution.

7. (1) Where the Central Bank is satisfied that a holding company of a licensed bank, a subsidiary or associate company of a licensed bank or any entity within a financial group or conglomerate of such licensed bank, as the case may be, which is not regulated or supervised by the Central Bank—

Provisions of this Part of this Act to apply to a holding company, &c. of a licensed bank

- (a) provides any service or performs any duty for or on behalf of such licensed bank subject to resolution, which are or are deemed to be significant to perform critical functions of such licensed bank; or
- (b) the suspension or discontinuation of such service or duty by such entities is or is likely to be

detrimental to the interests of the depositors and creditors of such bank, or jeopardize the stability of the financial system of Sri Lanka, and

in the event, there are no alternatives available for such licensed bank to ensure the continuity of such service or duty which is significant to perform critical functions, it shall be lawful for the Central Bank to apply the provisions of this Part of this Act to a company or entity specified in this subsection in the same manner as they apply to a licensed bank subject to resolution.

(2) In the event of any company or entity specified in subsection (1) is regulated by a financial sector regulator other than the Central Bank, the Central Bank shall prior to taking any measures to resolve such company or entity under this Act, consult such regulator and give due notice to such regulator in respect of such measures.

Objectives of resolution

8. The Central Bank shall, in the exercise, performance and discharge of its powers, duties and functions relating to the resolution authority under this Act, on a licensed bank, endeavour to ensure-

- (a) the stability of the financial system, including the payment, clearing and settlement systems;
- (b) the continuity of critical functions of such licensed bank;
- (c) the protection of public funds by minimizing public financial support;
- (d) the protection of depositors of such licensed bank; and
- (e) avoiding destruction of the value of assets and minimizing losses to creditors and minimizing overall costs of resolution of such licensed bank.

9. (1) Every licensed bank shall prepare a recovery plan as part of its risk management process, which shall provide for measures to be taken by such licensed bank in the event of deterioration of its financial position.

Licensed banks
to prepare a
recovery plan

(2) In the preparation of a recovery plan, a licensed bank shall take into consideration, financial and macroeconomic crisis scenarios relevant to the specific characteristics of the licensed bank, systemic events, crisis scenarios specific to such licensed bank and other individual entities of the banking group, as a whole.

(3) In the preparation of a recovery plan, a licensed bank shall not rely on in any manner, the access to any extraordinary public financial support.

(4) Every licensed bank shall update its recovery plan at least annually, or at the request of the Central Bank in the event of any change in the organizational structure or legal structure of the licensed bank, business activities or financial situation of the licensed bank, which may cause a significant impact on the recovery plan or where it requires modification.

(5) The recovery plan prepared under subsection (1) shall include –

- (a) a presentation of the general recovery capacity of the licensed bank;
- (b) the scope of the recovery plan, considering the nature, scale, structure, complexity, and interconnectedness to other institutions of the licensed bank;
- (c) the details of other entities within the banking group covered under the recovery framework;
- (d) the details of communication planning on recovery options;

- (e) an identification of critical functions and critical shared services of the licensed bank that are organized in a manner ensuring the continuous availability of such functions or services to the entire licensed bank under possible recovery or resolution processes;
- (f) an identification of recovery indicators, triggers, and procedures to ensure the timely implementation of recovery actions;
- (g) the range of recovery options available to deal with shocks, to capital, liquidity and all other aspects that may arise from entity specific stresses or market wide stresses, or both of such stresses, as the case may be;
- (h) the time and resources required to implement recovery options;
- (i) significant deficiencies of resources that may hinder the effective and timely implementation of the recovery plan;
- (j) the actions to be taken to remedy the impediments including the availability of business continuity planning;
- (k) the details on costs of implementation;
- (l) a detailed description of how the recovery plan is integrated into the licensed bank's management;
- (m) the persons who are responsible for the development and implementation of the recovery plan within the licensed bank;
- (n) the policies and procedures for approving the recovery plan;

- (o) the mechanisms and measures for-
 - (i) the conservation or reconstitution of the funds of the licensed bank;
 - (ii) ensuring that the licensed bank has access to emergency financing sources, including potential sources of liquidity, assessment of available collateral and assessment of the possibility of transferring liquidity between entities within the group and between the businesses;
 - (iii) ensuring that the licensed bank may continue its activities and fulfill its obligations when they become due;
 - (iv) reducing leverage risk and effect;
 - (v) restructuring debts;
 - (vi) maintaining continuous access to financial market infrastructures;
 - (vii) facilitating the sale of assets or businesses within an appropriate period of time in order to restore financial soundness; and
 - (viii) facilitating the implementation of the recovery plan, including necessary measures to allow its timely recapitalization;
- (p) other management actions or strategies aimed at restoring the financial soundness and the anticipated financial effect of those actions or strategies;
- (q) an analysis of the situations in which the licensed bank may seek access to the financial facilities offered by the Central Bank and identify the assets that can be qualified as collateral;

- (r) the preparatory measures that the licensed bank has adopted or intends to adopt; and
- (s) such other requirements or information, as the Central Bank may, from time to time, specify or require, to be included in a recovery plan.

(6) The Central Bank may, if it considers necessary, direct all or selected licensed banks to submit recovery plans prepared under subsection (1) for its approval, within one month from the expiration of each calendar year.

(7) Where the Central Bank considers that a recovery plan submitted by a licensed bank has major deficiencies or that there are obstacles in the implementation of the recovery plan, the Central Bank shall notify such deficiencies or the obstacles to such licensed bank and direct such licensed bank to submit a revised recovery plan, containing adequate solutions to overcome the deficiencies or obstacles, within one month from the date of such notification.

(8) The Central Bank may, at the request of the licensed bank, extend the period specified in subsection (7), to a period which shall not exceed fourteen days from the date of expiry of the period of one month specified in subsection (7).

(9) Where the Central Bank is of the opinion that-

- (a) a licensed bank has not identified the changes that are required to be introduced to its economic activity; or
- (b) the actions proposed by the licensed bank to address the deficiencies or obstacles of such recovery plan are not adequate,

the Central Bank shall direct such licensed bank to take one or more of the measures specified in subsection (10) or any

other measure as it may consider necessary and proportionate, taking into consideration the seriousness of the deficiencies and the effect of the respective measures on the continuity of the business of the licensed bank.

(10) The measures referred to in subsection (9) shall include the following: -

- (a) to reduce the risk profile of the licensed bank, including reducing the liquidity risk;
- (b) to apply prompt recapitalization measures;
- (c) to review the strategy and structure of the licensed bank;
- (d) to modify the financing strategy, in order to improve the shock resistance of the critical functions; or
- (e) to modify the administration structure of the licensed bank.

10. (1) The Central Bank may, from time to time, issue directions to any licensed bank on preparation of recovery plans for such licensed bank.

Central Bank to issue directions on the preparation of recovery plans

(2) The regulatory or supervisory departments of the Central Bank shall promptly notify the Department established under section 4, any changes that would require a reassessment or updating of the recovery plans of licensed banks.

11. (1) The Central Bank shall design a resolution plan for each licensed bank having a systemic importance or impact in keeping with the international standards and best practices applicable to resolution of banks.

Central Bank to design a resolution plan

For the purpose of this subsection, a licensed bank shall be deemed to have systemic importance or impact, where failure of such bank may cause or likely to cause a severe impact on the financial system stability due to the size, interconnectedness, lack of substitutability, complexity, and such other similar criteria as may be determined by the Central Bank.

(2) The Central Bank shall evaluate and update periodically, or immediately after any material changes in the organizational structure of such licensed bank, its business, or its financial condition, the resolution plan designed under subsection (1).

(3) The Central Bank shall provide for in the resolution plan, options for the implementation of resolution measures and the exercise of its resolution authority under this Act.

(4) At the request of the Central Bank, a licensed bank shall provide assistance to the Central Bank in elaborating and updating the resolution plan by the Central Bank.

(5) A licensed bank shall immediately inform the Central Bank, of any changes that may require an evaluation or updating of the resolution plan designed by the Central Bank.

(6) At the request of the Central Bank, a licensed bank shall provide to the Central Bank all information necessary for the effective implementation of the resolution plan, including the details of –

- (a) the critical functions of such licensed bank, including the significant holdings of assets and liabilities relating to the respective functions and activities;
- (b) the description of the class or classes of debt obligations of the licensed bank and of all the legal entities under its control;

- (c) the off-balance sheet exposures of the licensed bank and of the other legal entities within the banking group;
- (d) the main operations of hedging the risks of the licensed bank and of the other legal entities within the banking group;
- (e) the main contracting counterparties of the licensed bank or of the critical functions;
- (f) an analysis of the impact of the distressed financial condition of the licensed bank on the main contracting counterparties;
- (g) each system in which the licensed bank carries out significant transactions in terms of the number or value, including the identification of their correspondence with legal entities and critical functions;
- (h) each payment, clearing or settlement system in which the licensed bank is a participant, directly or indirectly, including the establishment of their correspondence with legal entities and critical functions;
- (i) the inventory, and the main information management systems on risk management, accounting, and financial and statutory reporting used by the licensed bank, including the establishment of their correspondence with legal entities and critical functions;
- (j) the agreements executed on provision of services-related information management systems, information technology systems or licences, including the establishment of their correspondence with legal entities and critical functions;

- (k) the interconnectedness and interdependencies between the licensed bank and other stakeholders including the staff, shared facilities and systems or capital financing or liquidity mechanisms, existing or contingent credit exposures, cross-border guarantee agreements, cross-default collateral agreements, and cross-settlement agreements between affiliates, risk transfer arrangements and back-to-back trading arrangements or service provision agreements;
- (l) the key management personnel of the licensed bank, who are responsible for providing the information necessary for the elaboration of the licensed bank's resolution plan;
- (m) the mechanisms that the licensed bank has put in place to ensure that the Central Bank will receive all necessary information for the purpose of resolution plan;
- (n) termination of any agreements by the licensed bank and any other legal entity within the banking group with third parties which may be triggered by a decision of the authorities to apply one or more resolution measures and whether the consequences caused by the termination may affect the implementation of such resolution measures; and
- (o) possible sources of liquidity in support of the resolution.

(7) All regulatory and supervisory departments of the Central Bank and any other authority regulating the financial sector, other than the Central Bank shall extend cooperation to the Department established under section 4, to implement the resolution function and, for that purpose, to ensure that the information referred to in subsection (6) is available with such supervisory and regulatory departments

and other authorities regulating the financial sector other than the Central Bank. Where such information is available, such departments and authorities shall transmit such information to the Department established under section 4.

(8) The Central Bank may, if it considers necessary, design simplified resolution plans for a licensed bank or banks which are not considered as having systemic importance or impact.

12. (1) The Central Bank shall, having regard to the systemic importance or impact of any licensed bank in respect of which a resolution plan has been prepared under subsection (1) of section 11, assess whether such licensed bank is resolvable and develop such resolution measures as it may consider appropriate and feasible for each such licensed bank, in a manner that allows for credible strategies to resolve the licensed bank without using–

Resolvability
assessment

- (a) extraordinary public financial support, except for the financing mechanisms established under this Act; and
- (b) liquidity assistance in emergency situations from the Central Bank, whether guaranteed or otherwise.

(2) Without prejudice to the provisions of subsections (3) and (4), the Central Bank shall, in determining the resolvability of such licensed bank, take such measures as may be necessary to direct a licensed bank including any one or more of the following:–

- (a) to revise and conclude an intra-group financial support agreement with other entities pertaining to the financial group of the licensed bank;
- (b) to enter into a service agreement with third parties, or to include clauses in existing agreements aiming at ensuring that such agreements will not be affected in the case the Central Bank places the licensed bank under resolution;

- (c) to limit its exposure to a single entity or to a group of related entities;
- (d) to dispose of specific assets;
- (e) to limit or cease the performance or development of specific activities, or commencing new activities;
- (f) to introduce appropriate legal and organizational changes to the licensed bank, ensuring that critical functions may be separated from other functions in the resolution procedure;
- (g) to establish mechanisms, including insurance mechanisms, to cover specific losses; and
- (h) to take any measures that are necessary to meet the minimum requirements for capital and liabilities, including loss-absorbing liabilities.

(3) The Central Bank may, from time to time, issue directions to ensure resolvability of any licensed bank, specifying key elements, standards, and criteria to be used to conduct an assessment on resolvability of such licensed bank.

(4) The Central Bank shall, during the assessment of resolvability under subsection (3), grant the licensed bank an opportunity of being heard.

(5) The Central Bank may, if it deems necessary, take into consideration the group-wide exposure of a licensed bank in assessing the resolvability of such licensed bank.

Conditions for
resolution

13. (1) Notwithstanding anything to the contrary in any other provisions of this Act or any other written law, where the Central Bank is satisfied that a licensed bank is, or is likely to be, no longer viable, and has no reasonable prospects of becoming viable under the circumstances set out in subsection (2), the Central Bank may decide to resolve such licensed bank under this Act.

(2) A licensed bank is deemed to be, or is deemed likely to be, no longer viable, and has no reasonable prospects of becoming viable in any one or more of the following circumstances: -

- (a) where the Central Bank is of the opinion that a licensed bank has failed, or is likely to fail to comply with the provisions of the Banking Act, or any regulation, direction, determination, Order, or any requirement made, issued or imposed thereunder, including the regulatory, capital and liquidity requirements, in a manner that would compel the Central Bank to cancel the licence issued to such licensed bank;
- (b) where the Central Bank is of the opinion that a licensed bank is, or is likely to become, insolvent; or
- (c) where a licensed bank is unable to meet its obligations to its depositors or other creditors, or the Central Bank is of the opinion that such licensed bank is likely to be unable to meet its obligations to its depositors or other creditors as they fall due.

(3) The implementation of any early intervention measures or any other supervisory measures on a licensed bank shall not be deemed as a pre-condition for the Central Bank to exercise its resolution authority under this Act.

(4) Where the Central Bank decides to resolve a licensed bank, it shall notify its decision in writing to such licensed bank and commence implementation of resolution measures under this Act.

(5) Where the Central Bank decides to resolve a licensed bank under subsection (1), the Central Bank may exercise any one or more of the resolution powers set out in section 14:

Provided however, the Central Bank shall exercise at least one such resolution power within a period not exceeding thirty days from the date of notification referred to in subsection (4).

(6) A licensed bank subject to resolution shall, after the commencement of the resolution measures under this Act, carry on its business under the control of the Central Bank.

Resolution
powers of the
Central Bank

14. (1) For the purpose of resolution of a licensed bank, the Central Bank shall have the power to -

- (a) appoint an Administrator to such licensed bank;
- (b) effect a transfer of shares of such licensed bank;
- (c) transfer all or any selected assets and liabilities of such licensed bank;
- (d) cause a capital increase through the existing shareholders and new shareholders;
- (e) request the Minister to provide capital to establish a bridge bank; or
- (f) request the Minister to provide temporary financial assistance for the resolution of such licensed bank, based on reports submitted by the Central Bank to that effect.

(2) For the purpose of resolution of a licensed bank under this Act, the Central Bank shall, in addition to the powers set out in subsection (1), have the following powers which it may exercise singly or jointly with, directly or through the appointment of, an Administrator: -

- (a) to remove or replace the directors, chief executive officer or the key management personnel or any other employee of such licensed bank;

- (b) to recover or claw-back of variable remuneration paid by such licensed bank to any person referred to in paragraph (a);
- (c) to override the rights of shareholders of such licensed bank in any transaction;
- (d) to terminate, continue or assign contracts, purchase or sell assets, write-down debts and take any other action necessary to restructure or wind-down the operations of the licensed bank;
- (e) to ensure continuity of essential services and critical functions by-
 - (i) the licensed bank to its successor or any acquiring company for a temporary period;
 - (ii) procuring necessary services from unaffiliated third parties on behalf of the licensed bank;
 - (iii) requiring any service provider to continue provision of such services as are necessary for the continuity of critical functions of the licensed bank to a transferee including the bridge bank under the terms and conditions existing prior to the resolution;
- (f) to suspend, restrict, or prohibit all or part of the business of the licensed bank for a period not exceeding six months as may be determined by the Central Bank;
- (g) to suspend, for a period of no longer than two working days-
 - (i) the acceleration right, termination right, or set-off right of a financial contract to which

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the licensed bank is a party, that arises by virtue of the entry of the licensed bank into the resolution or the exercise of any resolution powers under this Act;

- (ii) the obligation to make a payment or delivery under a contract to which the licensed bank is a party;
- (iii) the right to attach assets or otherwise collect money or property under a contract to which the licensed bank is a party;
- (h) to re-organize the licensed bank by increasing its capital and selling shares to new shareholders, and reconstituting the Board of Directors of the licensed bank;
- (i) to re-construct the licensed bank in any manner in the interest of depositors, including the closure of unviable business of the licensed bank or re-organizing its management;
- (j) to recognize losses to be allocated to shareholders and subordinated debt holders of a licensed bank;
- (k) to convert debt obligations of the licensed bank into capital;
- (l) to engage, at the expense of the licensed bank, independent attorneys, accountants, auditors, valuation experts and consultants, on such terms and conditions as may be specified by the Central Bank;
- (m) to meet expenditure incurred in the exercise of resolution powers under this Act; or

- (n) to do such other things as the Central Bank may consider necessary in relation to any matter affecting, or connected with, or incidental to, the exercise of powers under this section.

15. (1) In order to achieve the objectives of resolution specified in section 8 and to ensure the effective implementation of resolution measures provided for in sections 30, 31, 32, 33 and 34, the Central Bank shall establish a Financial Stability Fund under this Act.

Financial
Stability Fund

(2) The Financial Stability Fund shall be managed separately from other assets of, and the assets managed by, the Central Bank.

(3) The Central Bank shall have the power to-

- (a) manage, administer, and supervise the Financial Stability Fund, subject to the provisions of this Act;
- (b) formulate policies in relation to the general administration of the Financial Stability Fund;
- (c) invest and enter into any transaction or agreement as may be necessary or desirable for the financial management of the Financial Stability Fund; and
- (d) contribute to financing of resolutions of licensed banks, without prejudice to the provisions of subsection (3) of section 51.

(4) The following shall be credited to the Financial Stability Fund:-

- (a) budgetary allocations provided by the Government;
- (b) contributions from the Government;
- (c) grants or loans provided by international financial institutions;

- (d) investment income and gains deriving from and out of the investments of the moneys of the Financial Stability Fund;
- (e) contributions from licensed banks as the Central Bank may consider necessary, for the purposes of subsection (5) of section 33; and
- (f) any income from any other source as may be approved by the Minister.

Valuation of assets and liabilities of a licensed bank for the purpose of resolution

16. (1) In order to assess the value of the assets, liabilities or shares of a licensed bank for the purpose of resolution, the Central Bank may, at any time before the implementation of any resolution measure, direct such licensed bank to cause a prudent and realistic valuation of the assets, liabilities or shares of such licensed bank to be carried out by an independent professional valuer who shall possess such qualifications and experience as may be determined by the Central Bank, from time to time.

(2) Notwithstanding the provisions of subsection (1), the Central Bank may cause a valuation of the assets, liabilities or shares of a licensed bank to be carried out through an independent professional valuer who shall possess qualifications and experience referred to in subsection (1).

(3) Where a definitive valuation for resolution purposes is not possible due to the urgency of taking resolution measures, the Central Bank may-

- (a) direct a licensed bank to cause a provisional valuation to be carried out; or
- (b) directly undertake a provisional valuation:

Provided however, such provisional valuation shall be complemented with a final independent valuation, as soon as practicable.

(4) The payments to be made to the valuer under subsections (1) and (2) shall be borne by the licensed bank in accordance with such terms and conditions as may be determined by the Central Bank.

(5) The Central Bank shall have the authority to appoint and publish a list of professional valuers for the purposes of this section.

(6) The Central Bank may issue directions, from time to time, for the purpose of giving effect to the provisions of this section.

17. (1) Where the Central Bank has, in the interests of the depositors of a licensed bank, prohibited such licensed bank from carrying on all or part of its business for the purposes of implementing resolution measures under this Act, an officer authorized in that behalf by the Central Bank may make an application to the court for an order to prevent the continuance of any proceedings of a civil nature against the licensed bank with respect to any of its businesses.

Order staying court proceedings against the licensed bank

(2) The court may, upon hearing *ex parte*, an application made under subsection (1), make an order staying for a period not exceeding three months the continuance of any proceedings of a civil nature against the licensed bank with respect to any of its businesses.

(3) Where a court makes an order under subsection (2), the Central Bank shall, as soon as practicable, publish a notice of such order in the *Gazette* and at least in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka.

PART II

RESOLUTION MEASURES

18. (1) The Central Bank may, for the purpose of resolution of a licensed bank, by Order published in the *Gazette* and at least in three Sinhala, Tamil and English

Appointment of an Administrator

daily newspapers circulating in Sri Lanka, appoint a fit and proper person as provided for in subsection (2), as the Administrator to such licensed bank.

(2) In determining whether a person is a fit and proper person to be appointed as the Administrator under subsection (1), the criteria used to determine the fitness and propriety of directors of a licensed bank under any law for the time being in force shall *mutatis mutandis* apply to such person.

(3) The Administrator shall be an independent person who shall not have any interest, direct or indirect, financial or otherwise, in the affairs of the licensed bank subject to resolution. Any person appointed as the Administrator of a licensed bank under this Part of this Act, who acquires any interest, direct or indirect, financial or otherwise, in the affairs of such bank after such appointment, shall forthwith inform such fact to the Central Bank and immediately thereafter cease to act as the Administrator.

(4) An Administrator shall be appointed for a term of six months from the date of appointment. Such term may be extended, from time to time, for further periods of six months at a time by the Central Bank, if required to do so, by an Order published in the *Gazette* and at least in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka.

(5) The Order of the Central Bank appointing an Administrator or extending the term of an Administrator shall be notified to the licensed bank in writing, specifying the reasons for such appointment or extending the term, as the case may be.

(6) Where an Administrator becomes subject to any disqualification pursuant to the provisions of subsection (2) or (3), the Central Bank shall appoint any other person as the Administrator, having regard to the provisions of subsection (2).

(7) Subject to the provisions of subsection (9), an Administrator shall be paid such remuneration as may be determined by the Central Bank.

(8) The Administrator shall be deemed to be a public servant within the meaning and for the purposes of Part IX of the Penal Code (Chapter 19), and where the Administrator is a body corporate or a firm, its directors or managing partners, as the case may be, shall be considered as public servants for such purposes.

(9) All costs incurred by the Central Bank on account of the Administratorship, including the payment of remuneration of the Administrator, shall be borne by, and charged to, the licensed bank subject to resolution, in accordance with such terms and conditions as may be determined by the Central Bank. Any cost so payable shall constitute a debt due to the Central Bank from such licensed bank, until the same is paid in full to the Central Bank.

19. (1) The Administrator appointed under section 18 shall assume control of all the assets, rights, business and affairs of the licensed bank subject to resolution, and carry on the business and affairs of that licensed bank in the name and on behalf of the licensed bank, until the expiry of the period of time specified in the Order referred to in subsection (1) or subsection (4) of that section or until such time any such Order is revoked.

Effect of taking control by the Administrator

(2) Upon the appointment of an Administrator, it shall be the duty of all the directors and employees of the licensed bank subject to resolution, to submit the details of all property, business and affairs of such licensed bank to the Administrator and assign the control of such property, business and affairs to the Administrator.

(3) Without prejudice to the provisions of paragraph (b) of subsection (4), the directors and employees of a licensed bank subject to resolution, shall provide the Administrator with all such facilities as may be required to carry on the business and affairs of such licensed bank.

(4) During the period within which an Order made by the Central Bank in respect of a licensed bank under section 18 is in force-

- (a) all the duties and functions of such licensed bank, its directors, and shareholders under any written law for the time being in force and the respective constituent documents of such licensed bank, shall be vested with the Administrator;
- (b) any director, key management personnel or an employee of such licensed bank shall not, either directly or indirectly, engage in any activity in relation to, or for and on behalf of, the licensed bank, except as may be required or authorized by the Administrator; and
- (c) any remuneration of whatever nature shall not accrue or be payable to any director, key management personnel or an employee of such licensed bank, except with the prior written approval of the Administrator.

Administrator to prepare an inventory of assets and liabilities

20. The Administrator shall, within thirty days from the date of his appointment or such other date as may be specified by the Central Bank, prepare and submit to the Central Bank an inventory of all assets and liabilities of the licensed bank under his control.

Administrator to prepare a report on the viable resolution options

21. (1) The Administrator shall, not later than sixty days from the date of his appointment, prepare and submit to the Central Bank, a detailed report on the licensed bank under his control containing his recommendations as to the most viable resolution options to be implemented in respect of such licensed bank.

(2) The Central Bank may, having considered the report and the recommendations made by the Administrator under subsection (1), approve or issue one or more directions to

the Administrator, the licensed bank, directors or key management personnel, as the case may be, as to the most viable resolution option to be implemented.

(3) The Administrator may, in the report referred to in subsection (1), recommend that the licensed bank under the control of such Administrator -

- (a) be sold as a going concern;
- (b) be resolved through transfer of selected assets and liabilities, or the establishment of a bridge bank under section 30;
- (c) be resolved through any other resolution power as may be determined by the Central Bank considering the financial position and risk profile of such licensed bank; or
- (d) be wound up.

(4) The Administrator shall prepare and submit to the Central Bank such regular reports as may be specified by the Central Bank in the Order referred to in section 18 on the financial conditions of the licensed bank subject to resolution, and information relating to the exercise, performance and discharge of the powers, duties and functions of the Administrator in the implementation of the resolution measures.

(5) The Administrator shall be responsible for the organization and maintenance of files, information and documents of the licensed bank subject to resolution, and shall maintain a register containing information relating to all decisions or actions taken on such licensed bank during the period of his administratorship.

Termination of
administratorship

22. (1) An Administrator appointed for the purpose of resolution of a licensed bank shall cease to function as such Administrator in the following situations, whichever occurs first: -

- (a) on completion of the term specified in the Order referred to in subsection (1) or (4) of section 18, as the case may be; or
- (b) where the Central Bank determines to terminate the term of such Administrator.

(2) The Administrator shall, within twenty working days of the termination of the appointment under subsection (1), prepare and submit to the Central Bank a final report on activities of his administratorship.

Capital increase
by existing
shareholders

23. (1) The Central Bank, or the Administrator with the approval of the Central Bank, may take following actions to increase the capital of the licensed bank subject to resolution through the issuance of new shares: -

- (a) to determine the extent of losses and prepare the financial statements of such licensed bank covering the amount of such losses from and out of the profits, reserves and, if necessary, the capital of such licensed bank; and
- (b) to determine the amount of additional capital required to be invested in the shares of such licensed bank in order to comply with all capital requirements made under the Banking Act and to request in writing, the existing shareholders of the licensed bank to subscribe and purchase additional shares, by submitting binding commitments equal to the full amount of additional capital needed, or any part thereof, within the time specified in such request:

Provided however, prior to the request referred to in this paragraph, the Central Bank may, if it considers necessary, examine and identify shareholders who may have acted as shadow directors and contributed directly or indirectly to the failure of such licensed bank and shall not allow such shareholders to participate in the increase of the capital under this section:

Provided further, if shareholders subscribe or purchase additional shares under this section, such shareholders may be exempted from the application of directions issued by the Monetary Board under the Banking Act on share ownership limits of licensed banks for a period as may be determined by the Central Bank.

(2) Notwithstanding anything to the contrary in any other written law, or the articles of Association or any other constituent document of the licensed bank, the existing shareholders of a licensed bank subject to resolution shall have no pre-emptive or any other rights to purchase additional shares issued except as provided for in subsection (1).

(3) Subject to the provisions of subsection (1), the Central Bank shall have the power to recognize losses to be allocated to shareholders and subordinated debt holders in the performance of its duties under this section.

24. (1) Without prejudice to the provisions of section 23 and for the purposes of recapitalization of a licensed bank by new shareholders, the Central Bank-

Recapitalization
by new
shareholders

(a) shall, if not already determined in accordance with the provisions of paragraph (a) of subsection (1) of section 23, determine the extent of losses and prepare the financial statements of such licensed bank covering the amount of such losses from and

out of the profits, reserves and, if necessary, the capital and subordinated debt and any other instrument issued for the purpose of loss absorbency of such licensed bank;

- (b) may cause revaluation of the stated capital to reflect losses, notwithstanding anything to the contrary in any other written law;
- (c) may determine the amount and type of funding needed to bring such licensed bank into compliance with all capital requirements made under this Act;
- (d) may cause such licensed bank to issue additional capital in any form as may be determined by the Central Bank in order to comply with the capital requirements applicable for licensed banks imposed by the law for the time being in force.

(2) Notwithstanding anything to the contrary in any other written law, the Central Bank may, in relation to regulation of the securities market and other disclosures to be made by issuers of securities, cause such licensed bank to issue shares under the provisions of this section.

(3) The Central Bank shall have the power to recognize losses to be allocated to shareholders and subordinated debt holders in the performance of its duties under this section.

Transfer of
shares and
effecting a
merger

25. (1) Notwithstanding anything to the contrary in any other written law, the Central Bank may, in whole or part, transfer the shares of, any licensed bank subject to resolution to any other financial institution or effect a merger of such licensed bank with any other financial institution.

For the purposes of this section, “financial institution” means a bank licensed under the Banking Act or a finance company licensed under the Finance Business Act or any other institution as may be specified by the Central Bank.

(2) Subject to the provisions of subsection (1) of section 5, the Central Bank shall ensure that at the time of transferring shares or effecting a merger under subsection (1), transferee of such shares is solvent, and complies with applicable requirements under the Banking Act or any regulation, direction, determination or Order made thereunder, including fitness and propriety of the shareholders, directors and key management personnel who shall have sufficient expertise, capacity and resources to effectively hold the shares so transferred and to achieve the objectives of resolution.

(3) The transfer of shares or effect of a merger under subsection (1) shall be conducted by the Central Bank based on a prudent and realistic valuation of the assets and liabilities of such licensed bank, carried out by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(4) The Central Bank may, by way of directions issued, from time to time, specify the procedure for transferring of shares under subsection (1).

(5) The Central Bank shall have the power to recognize losses to be allocated to shareholders and subordinated debt holders in the performance of its duties under this section.

26. (1) Subject to the provisions of subsection (5), the Central Bank may, after giving a prior notification to the licensed bank subject to resolution (in this Part of this Act referred to as the “transferor bank”), transfer all or part of the assets or liabilities, or both such assets and liabilities of such transferor bank prevailing as at a specific date (in this Part of this Act referred to as the “relevant date”), to any third party (in this Part of this Act referred as the “transferee”):

Transfer of
selected assets
and liabilities to
a third party

Provided however, where such liabilities or part thereof consist of deposit liabilities, such deposit liabilities shall not be transferred to any entity which is not permitted by law to accept deposits.

(2) The transferee referred to in subsection (1) shall be solvent, and shall comply with applicable requirements under the Banking Act or any regulation, direction, determination, or Order made or issued thereunder, including the requirements relating to the suitability of qualifying shareholders, directors and key management personnel, and shall have sufficient expertise, capacity and resources to effectively hold the assets or liabilities or both such assets and liabilities so transferred to achieve the objectives of resolution.

(3) The transfer of assets and liabilities under subsection (1) shall be conducted by the Central Bank based on a prudent and realistic valuation of the selected assets and liabilities of such licensed bank, carried out by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(4) The Central Bank may, by way of directions issued from time to time, specify the criteria for the selection of assets and liabilities to be transferred under subsection (1), having regard to the interests of depositors, creditors, and shareholders of such licensed bank.

(5) For the purpose of subsection (1), “assets and liabilities of a transferor bank” includes,-

- (a) all or part of the immovable and movable property owned by the transferor bank on the day immediately preceding the relevant date (including loans, cash balances, reserve funds, investments and deposits);
- (b) all or part of the rights, powers, privileges, authorities, and interests arising in, or out of, any property, movable or immovable, owned by the transferor bank on the day immediately preceding the relevant date;

- (c) any legal rights or obligations of the transferor bank subsisting on the day immediately preceding the relevant date;
- (d) subject to the provisions of paragraph (e) of section 28, all or part of the liabilities including legal rights and obligations of the transferor bank subsisting on the day immediately preceding the relevant date; and
- (e) all books, accounts and documents relating, or appertaining, to such transferor bank in Sri Lanka.

(6) The transferee referred to in subsection (1) shall-

- (a) not be controlled, directly or indirectly, by related parties of the transferor bank;
- (b) only be liable to the shareholders or other creditors of the transferor bank for those liabilities expressly transferred, or in accordance with any other terms or conditions expressly agreed to by the transferee, to the exclusion of any other responsibilities including liabilities related to taxes and liabilities related to the labour;
- (c) be responsible for compensating the Central Bank or the Deposit Insurance Scheme established under section 39 for any losses caused due to the transferee's failure to comply with the terms and conditions of the transfer of assets and liabilities in resolution.

27. A transfer of assets and liabilities under section 26 shall not be made by the Central Bank unless –

- (a) the Central Bank is satisfied that the transferee is solvent and complies with applicable regulatory requirements, and capable of carrying out in a

Requirements to fulfill for the transfer of assets and liabilities

competent manner the business of the transferor bank proposed to be transferred, and meeting liabilities of the transferor bank to its depositors and creditors pertaining or relating to the business proposed to be transferred;

- (b) the transferee agrees in writing to comply with such terms and conditions as may be specified by the Central Bank relating to the manner in which-
 - (i) any existing assets of the transferor bank pertaining or relating to the business proposed to be transferred, are to be used and any existing liabilities of the transferor bank pertaining or relating to the business proposed to be transferred are to be met; and
 - (ii) any payments due to the Government from the transferor bank are to be made; and
- (c) the transferee agrees to comply with such other directions as the Central Bank may, from time to time, issue to such transferee under this Act.

Effect of the transfer of assets and liabilities

28. Unless the Central Bank otherwise decides, where the assets and liabilities of the transferor bank have been transferred to a transferee under section 26, with effect from the relevant date-

- (a) the transferee shall have the control and possession of the transferred assets and liabilities of the transferor bank:

Provided however, upon a request made by the transferee, the Central Bank may transfer any assets or liabilities back to the transferor bank, within a period as may be specified at the time of such transfer, where such assets or liabilities do not meet the criteria applicable for the transfer:

Provided further, that the shareholders, depositors and creditors whose interests and rights remain in the transferor bank, shall have no rights or claims in respect of the assets and liabilities transferred to the transferee;

- (b) the licence issued by the Monetary Board under the relevant laws to the transferor bank to carry on business, shall be modified or cancelled, as the case may be, to the extent as is necessary to enable the transferor bank to carry on any remaining part of its business which has not been transferred to the transferee;
- (c) all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature pertaining, or relating to the transferred assets and liabilities of the transferor bank and subsisting, or having effect on the day immediately preceding the relevant date, and to which the transferor bank is a party or which are in favour of the transferor bank, shall, with effect from the relevant date, be deemed to be contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation or other instruments entered into or granted, as the case may be, by the transferee;
- (d) all actions and proceedings of whatever nature instituted by or against the transferor bank pertaining or relating to the transferred assets and liabilities and pending on the day immediately preceding the relevant date, shall, with effect from the relevant date, be deemed to be actions and proceedings instituted by or against the transferee, and may be continued and disposed of accordingly;
- (e) all such officers and other employees of the transferor bank as are connected with such part of

the business of the transferor bank as was transferred to the transferee, or all the officers and other employees of the transferor bank, where the entirety of the business of the transferor bank is transferred to the transferee, as the case may be, who are in employment in the transferor bank on the day immediately preceding the relevant date and who are not offered employment by the transferee, shall be entitled to the payment of compensation:

Provided however, where any officer or other employee of the transferor bank is entitled to a payment of compensation, the transferee shall determine the amount of compensation that shall be paid to such officer or employee in consultation with the Commissioner-General of Labour. Such determination shall not affect the right of such officer or employee to claim any other compensation under any other written law.

Extent of the liability of the transferee in respect of foreign currency depositors

29. Notwithstanding anything to the contrary in this Act or any other written law, where the foreign currency deposits of the transferor bank is not made available to the transferee, the liability of the transferee to meet the demands of any foreign currency depositors of the transferor bank shall be limited only in respect of such depositors who agree to accept the terms and conditions of any scheme for the grant of relief to such depositors, as may be formulated by the Central Bank, upon a review of the business of the transferor bank, and only to the extent as set out in such scheme:

Provided however, in the event of such foreign currency deposits being made available to the transferee, or the transferee recovering such foreign currency deposits or other assets abroad, of the transferor bank, the Central Bank shall have the power to give directions to the transferee with regard to the payment to such foreign currency depositors of the foreign currency deposits so made available or foreign

currency deposits and other assets so recovered, and the transferee shall comply with such directions.

30. (1) Notwithstanding anything to the contrary in any other written law, where the Central Bank, having regard to the relevant circumstances, is of the opinion that the failure of a licensed bank subject to resolution under this Act can have systemic importance or impact, the Central Bank may decide to establish one or more institutions (in this Act referred to as “bridge bank”), subject to the terms and conditions specified in subsection (6) of section 31 and with the approval of the Minister, for the purpose of-

Establishment of
a bridge bank

- (a) continuing operations of all or part of the critical functions and viable operations of such licensed bank; or
- (b) transferring shares, any one or more of the assets, liabilities, legal rights and obligations or other property instruments owned or issued by such licensed bank:

Provided however, the amount of liabilities transferred to a bridge bank shall not, in any manner, exceed the amount of the transferred assets and other resources provided by the Deposit Insurance Scheme provided for in Part III of this Act, or the Government, as the case may be.

(2) The Central Bank shall publish the decision taken under subsection (1) in the *Gazette* and at least in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka, within five days from the date of establishment of the bridge bank.

(3) The Central Bank shall issue a licence to the bridge bank to carry on the banking business in Sri Lanka subject to such terms and conditions as the Central Bank may consider necessary.

(4) The Central Bank shall ensure that the bridge bank is established in an expeditious manner, and the period of such establishment shall not exceed two days from the decision of the Central Bank referred to in subsection (1).

(5) The establishment of the bridge bank shall be based on primary constituent documents of the licensed bank subject to resolution, and the other relevant documents pertaining to its establishment shall be submitted to the relevant authorities within thirty days from the date of the establishment.

(6) The operations of the bridge bank shall be commenced from the first working day following the date of issuance of licence under subsection (3).

Management of
the affairs of the
bridge bank

31. (1) The bridge bank established under section 30 shall be a body corporate and may sue or be sued by its corporate name.

(2) (a) The management and administration of the affairs of the bridge bank shall be vested in a governing body of the bridge bank which shall consist of such number of members as may be determined by the Central Bank.

(b) The members of the governing body of the bridge bank shall be fit and proper persons and shall be appointed by the Central Bank. The Central Bank shall, based on the criteria referred to in paragraph (f) of subsection (11), assess the fitness and propriety of persons to be appointed as members of the governing body prior to their appointment.

(3) The key management personnel of the bridge bank shall, subject to the provisions of paragraph (f) of subsection (11), be appointed by the governing body of the bridge bank, subject to the approval of the Central Bank.

(4) Notwithstanding anything to the contrary in any other written law, any officer of the Central Bank shall not be

appointed as a member of the governing body or as a key management personnel of the bridge bank.

(5) The capital of the bridge bank shall be fully provided by the Government subject to appropriation of necessary funds in terms of any applicable written law. The Government shall have the right to decide on the issuance of Government guarantees and Government securities in connection with the financing of the bridge bank:

Provided however, nothing contained in this section shall be construed as preventing the Central Bank from extending emergency liquidity assistance, conventional market liquidity injecting mechanisms or loans to the bridge bank:

Provided further, provision of capital to a bridge bank by the Government under this section shall not prevent the Central Bank from exercising control over such bridge bank. The Central Bank shall ensure that the bridge bank shall be subject to standard prudential rules in line with the international standards and best practices.

(6) The terms and conditions for the establishment and operation of a bridge bank shall include –

- (a) the provision of capital;
- (b) operational financing and liquidity support;
- (c) any temporary changes to prudential and other supervisory and regulatory requirements that apply to the bridge bank, for a period up to six months;
- (d) the requirement of setting out governance framework; and
- (e) the board of directors and the management of the bridge bank.

(7) For the purpose of this section, the Central Bank shall have the power to -

- (a) transfer to the bridge bank, from time to time, shares, assets, liabilities or other instruments of ownership, as the case may be, issued by the licensed bank subject to resolution;
- (b) subject to the provisions of subsection (8), reverse the transfer of all or part of the assets and liabilities from the bridge bank to the licensed bank subject to resolution;
- (c) transfer shares, assets and liabilities, legal rights and obligations, from the bridge bank to any other person subject to an eligibility criteria determined by the Central Bank by directions, for such purpose; and
- (d) facilitate the closure and orderly winding up of the bridge bank.

(8) The reversal of transfer of shares, assets and liabilities, legal rights and obligations and any other instruments of ownership under subsection (7), to the licensed bank subject to resolution shall be performed in one of the following circumstances: -

- (a) where the possibility of such reversal is expressly provided for in the decision to establish a bridge bank referred to in subsection (1) of section 30;
- (b) where the shares, assets and liabilities, legal rights and obligations and any other instrument of ownership transferred to the bridge bank from the licensed bank subject to resolution do not meet the conditions of such transfer or do not fall into the categories of shares, assets and liabilities, legal rights and obligations and any other instruments of ownership specified in the decision to establish the bridge bank; or

- (c) where it is necessary to rectify the valuation errors that took place at the time of transfer of shares, assets and liabilities, legal rights and obligations and other instruments of ownership.

(9) The transfer of shares, assets and liabilities, legal rights and obligations and other instruments of ownership to and from the bridge bank shall be based on a valuation carried out by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(10) Any shareholder or creditor of a licensed bank subject to resolution and other third party whose shares, assets and liabilities, legal rights and obligations and other instruments of ownership are not transferred to the bridge bank shall not have any right over the shares, assets and liabilities, legal rights and obligations and other instruments of ownership transferred to the bridge bank, its governing body, or the Central Bank.

(11) The Central Bank may, from time to time, having regard to the interests of depositors, creditors and shareholders, issue to the bridge bank, directions, guidelines, and operating instructions, as the case may be, specifying-

- (a) the manner in which the remaining assets and liabilities of the licensed bank subject to resolution need to be liquidated;
- (b) the manner in which the operations of the bridge bank shall be carried out;
- (c) the exemptions granted to the bridge bank:
- (d) minimum capital and liquidity requirements to be met by the bridge bank;

- (e) principles of corporate governance to be applicable to the bridge bank;
- (f) the criteria applicable for the assessment of fitness and propriety of the members of the governing body and the key management personnel of the bridge bank;
- (g) criteria for acceptability of the valuations of assets and liabilities to be transferred to the bridge bank;
- (h) modes of consideration to be passed when transferring assets and liabilities, legal rights and obligations and instruments of ownership; or
- (i) the manner and the circumstances of reversals of assets and liabilities and other instruments of ownership initially transferred to the bridge bank.

Term of a
bridge bank

32. (1) Subject to the provisions of subsections (3) and (4), the term of the bridge bank shall not exceed a period of two years from the last date of transfer of shares, assets and liabilities and instruments of ownership of the licensed bank subject to resolution.

(2) The Central Bank shall terminate the bridge bank as soon as practicable, according to its own assessment, having regard to the objectives of resolution, completion of the tasks assigned to the bridge bank and such other matters on its merit, upon the completion of the period of two years referred to in subsection (1).

(3) Subject to the provisions of subsection (4), where the Central Bank is satisfied that the bridge bank no longer serves the objectives of resolution, the Central Bank may, after informing the Minister-

- (a) merge the bridge bank with another entity;

- (b) sell in whole or part, the assets, rights, and obligations of the bridge bank to a third party; or
- (c) liquidate the assets of the bridge bank and pay its obligations in full.

(4) The term of the bridge bank may be extended by the Central Bank for a further period of one year at a time:

Provided however, the term of a bridge bank shall not, in the aggregate, exceed five years.

(5) (a) All the decisions of the Central Bank under subsections (2), (3) and (4) shall be based on an assessment of the circumstances and market conditions that justify such decisions.

(b) The Central Bank shall submit a report to the Minister within one month from the date of such decisions. In the case of an extension granted under subsection (4), the Central Bank shall also publish a reasoned explanation as to why such an extension is necessary.

(6) Where the term of the bridge bank is terminated under subsection (2), the Central Bank shall-

- (a) cancel the licence issued to such bridge bank; and
- (b) wind up such bridge bank under Part V of this Act.

(7) Subject to the provisions of subsection (3) of section 51, all receipts resulting from the cessation of the operation of the bridge bank under this section shall be transferred to the Government.

33. (1) Subject to the provisions of subsection (2), the Government may, having considered the report submitted by the Central Bank to the Minister in that behalf, provide temporary financial assistance to contribute to the funding of the resolution of a licensed bank, or to a bridge bank, as the case may be.

Providing temporary financial assistance by the Government

(2) The temporary financial assistance referred to in subsection (1) shall be provided by the Government only if the following conditions are satisfied: -

- (a) such financial assistance is necessary to avoid a risk of disturbance to the stability of the financial system;
- (b) alternative funding through Deposit Insurance Fund established under section 49 as permitted under subsection (3) of section 51 or private sources has been depleted or such sources are not sufficient or available within a reasonable time frame;
- (c) losses of the licensed bank are allocated at least to shareholders and subordinated debt holders; and
- (d) the Central Bank is of the opinion that the licensed bank subject to resolution or the bridge bank will become viable with the implementation of a resolution or restructuring plan.

(3) The temporary financial assistance under this section may be provided by the Government to –

- (a) extend financial assistance for a licensed bank subject to resolution or for a bridge bank established under section 30;
- (b) pay compensation to shareholders and creditors under section 36; or
- (c) take such other measure as is incidental or connected to the purposes referred to in paragraph (a) or (b).

(4) (a) Where the Government becomes the holder of a controlling interest in a licensed bank subject to resolution or the bridge bank, as a result of providing temporary financial

assistance under this section, such licensed bank or the bridge bank shall be managed on a commercial and professional basis and shall be subject to enhanced supervision by the Central Bank.

(b) The licensed bank or the bridge bank, as the case may be, referred to in paragraph (a) shall develop a plan, to the satisfaction of the Central Bank, for its exit from Government control, within a reasonable timeframe. The Minister shall, on the recommendation of the Central Bank, prescribe the procedures for the utilization of exit options in a fair and transparent manner, having regard to the timing, and market conditions and confidentiality requirements.

(5) Any temporary financial assistance provided under this section and related costs and net of expected recoveries, may be recovered from all banks under subsection (4) of section 15.

(6) The Minister may, on the recommendation of the Central Bank, prescribe the rules for the provision of temporary financial assistance and the recoupment of such funds under this Act.

34. (1) Without prejudice to the provisions of section 30, where the Government is of the opinion that the failure of a licensed bank can have systemic importance or impact, it shall have the authority to resolve such licensed bank.

Capitalization of
a licensed bank
having systemic
impact

(2) In resolving a licensed bank under subsection (1), the Government may infuse capital for such licensed bank through –

- (a) participation of the Government in the recapitalization of such licensed bank; or
- (b) taking over such licensed bank into temporary public ownership.

(3) The conditions set out in subsection (2) of section 33 shall *mutatis mutandis* apply to a licensed bank subject to resolution under this section.

Central Bank to notify the exercising of resolution powers

35. (1) The Central Bank may, where appropriate, notify the Minister and other relevant authorities including any foreign supervisory or resolution authorities, of the exercise by the Central Bank of its resolution powers under this Act.

(2) The Central Bank shall publish a notice in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka with respect to the exercise of resolution powers on any licensed bank under this Part of this Act.

Compensating shareholders and creditors

36. (1) Notwithstanding anything to the contrary in any other written law, where the Central Bank, in the exercise, performance or discharge of its powers, duties or functions under this Act, considers that it is necessary-

(a) to mitigate any impact of the failure of a licensed bank in the economy and avoid contagion risk of such failure across the financial system; or

(b) to maximize the value for the benefit of all depositors and creditors of a licensed bank,

it shall be lawful for the Central Bank to apply different treatments to a class or classes of persons among the creditors of a licensed bank subject to resolution having considered the impact of losses to be attributable to such class or classes of creditors as a whole, the interests of the depositors and creditors of such licensed bank, and the financial system stability of Sri Lanka.

(2) (a) A shareholder or creditor who incurs higher losses than what he would have incurred if the licensed bank subject to resolution had been liquidated through winding up, may be compensated for the difference.

(b) The difference to be compensated under paragraph (a) shall be determined based on a valuation, carried out after completion of the resolution, by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(3) The valuation referred to in subsection (2), shall be carried out on the basis that such licensed bank would be wound up immediately before the initiation of such resolution by the Central Bank and shall be based on the value that could be given at the time of winding up:

Provided however, any value created or preserved in such licensed bank as a result of any public financial support or emergency liquidity assistance provided by the Central Bank or the Government, as the case may be, shall be deducted in the calculation of difference.

(4) The compensation referred to in subsection (2) may be provided by the Government through temporary financial assistance as provided for in section 33.

(5) The Central Bank may give effect to the provisions of this section by issuing directions, from time to time.

37. (1) Notwithstanding anything contained in this Act or any other written law for the time being in force, the Central Bank and the Ministry of Finance shall exchange information in respect of planning, preparation and implementation of resolution measures related to any licensed bank which requires funding by the Government under this Act.

Central Bank
and the Ministry
to exchange
information

(2) The Minister, Secretary, Director General, any director, officer or any other person engaged or employed in the functions or affairs of the Ministry of the Minister shall maintain strict confidentiality in respect of all information

exchanged under subsection (1) and shall not reveal any such information except-

- (a) as required by a court of law;
- (b) in the performance of their duties under this Act; or
- (c) in order to comply with any of the provisions of this Act or any other written law.

Cross-border
cooperation

38. (1) Notwithstanding anything contained in this Act or in any other written law for the time being in force, the Central Bank shall have authority to enter into agreements, memoranda of understanding and arrangements for the coordination, cooperation and the exchange of information with relevant authorities established outside Sri Lanka, including supervisory or regulatory authorities of banks in other jurisdictions outside Sri Lanka:

Provided however, if the Central Bank is of the opinion that any confidential information, if exchanged with any such authority cannot be secured due to the unavailability of duty to preserve confidentiality in such authority, the Central Bank shall not exchange such information with any such authority outside Sri Lanka.

(2) The agreements, memoranda of understanding and arrangements with the relevant authorities outside Sri Lanka referred to in subsection (1), shall include the following: -

- (a) procedures for the timely exchange of information on matters agreed between the parties including consultations, prior notifications, regulatory or supervisory concerns, recovery plans, resolvability assessments, resolution plans, early intervention measures and resolution actions;
- (b) procedures for the coordination of resolution measures;

- (c) procedures for the recognition and facilitation of resolution measures taken by foreign regulatory authorities and the Central Bank;
- (d) restrictions on the use of information for purposes other than those for which the information is shared;
- (e) stipulation that the information be treated in a confidential manner and not be further disclosed without the express consent of the Central Bank; and
- (f) any other matter which the parties may consider necessary for the effective implementation of resolution measures under this Act.

(3) The Central Bank may, on the request of a foreign resolution authority, make an Order that the effects of a resolution measure of such foreign authority be fully or partially applicable in Sri Lanka:

Provided however, the Central Bank shall not make such Order where the Central Bank is of the opinion that -

- (a) in terms of its objective and anticipated results, the foreign resolution measure is not comparable to the exercise of resolution powers under this Act;
- (b) the relevant laws of the foreign resolution authority's jurisdiction do not allow for the recognition of the Central Bank's resolution measures on request;
- (c) recognizing a foreign resolution measure would not contribute to the achievement of resolution objectives under this Act;
- (d) creditors of the licensed bank in Sri Lanka would not be treated equitably under the foreign resolution proceedings;

- (e) such recognition would have material adverse fiscal implications in Sri Lanka; or
- (f) such recognition would contravene the public policy of Sri Lanka.

PART III

SRI LANKA DEPOSIT INSURANCE SCHEME

Establishment of
a deposit
insurance
scheme

39. The Central Bank shall, in order to uphold the public confidence in the financial system and to promote, and contribute to, the stability of the financial system in Sri Lanka, establish a scheme called Sri Lanka Deposit Insurance Scheme (hereinafter referred to as the “Scheme”) under this Act, for the purposes of-

- (a) insuring the deposits made by the depositors in an institution which is a member of the Scheme (in this Part of this Act referred to as a “member institution”) in order to compensate such depositors up to any maximum amount as may be determined by the Central Bank, from time to time, subject to subsection (9) of section 44, in the event the licence issued to such member institution is cancelled by the Central Bank; and
- (b) establishing a system for providing appropriate financial assistance to facilitate transfer of assets and liabilities of a member institution as a resolution measure, subject to safeguards.

Administration
and management
of the Scheme

40. (1) The Central Bank shall be responsible for the administration and management of the Scheme and shall exercise, perform, and discharge all the powers, duties and functions conferred or imposed on, or assigned to it under this Act for the effective implementation of the Scheme.

(2) In relation to the administration and management of the Scheme under this Act or any other written law, the Central Bank may-

- (a) formulate policies in relation to the general administration of the Scheme;
- (b) set out the organizational arrangements relating to the exercise, performance and discharge of the powers, duties and functions in relation to the Scheme in order to prevent a conflict of interest or possible conflict of interest between the functions of the Scheme and other functions of the Central Bank;
- (c) make rules setting out the procedure for repaying the insured deposits by utilizing the moneys available in the Fund; and
- (d) make any other arrangement which the Central Bank considers necessary to ensure the effective administration and management of the Scheme.

(3) The Central Bank may delegate any power, duty and function relating to the day-to-day administration and management of the Scheme to any officer of the Central Bank.

41. (1) The Head of the Department established under section 4 or any other officer authorized by the Central Bank shall publish a list of all institutions who are members of the Scheme annually, at least in one Sinhala, Tamil, and English daily newspapers circulating in Sri Lanka.

Members of the
Scheme

(2) The Central Bank shall, by way of a direction, notify the member institutions of the membership in the Scheme.

For the purposes of this Part of this Act, a “member institution” means, a licensed commercial bank, a licensed specialized bank within the meaning of the Banking Act or a licensed finance company within the meaning of the Finance Business Act or any other institution as the Central Bank may determine, from time to time, as a member institution under this Act.

Cessation of membership in the Scheme

42. (1) A member institution shall cease to be a member of the Scheme upon the cancellation of the licence issued to such institution to carry on banking business or finance business by the Central Bank, or the commencement of winding up, as the case may be.

(2) The Central Bank shall, upon the cancellation of licence as referred to in subsection (1), give notice to the public under the Banking Act or the Finance Business Act that such institution ceases to be a member of the Scheme upon such cancellation.

Member institutions to insure deposits under the Scheme

43. (1) Subject to the provisions of subsection (3), the member institutions shall insure all eligible deposits under the Scheme.

(2) The eligible deposits to be insured under the Scheme shall include demand, time and savings deposit liabilities of member institutions other than the deposit liabilities specified in subsection (3) and debt instruments including any promissory notes, hybrid equity and such other debt instruments as may be determined by the Central Bank.

(3) The following deposit liabilities shall not be considered as eligible deposits: -

- (a) deposit liabilities to other member institutions;
- (b) deposit liabilities maintained individually or jointly with any other party, by directors and key

management personnel of a member institution, close relations of such directors and key management personnel, a subsidiary company or an associate company of a member institution, and any concern in which any of the directors and key management personnel of a member institution or close relations of such directors and key management personnel have any interest;

- (c) deposit liabilities of former directors or key management personnel of a member institution where –
- (i) such directors or key management personnel have been removed from such position on the direction by the Central Bank due to such directors or key management personnel being involved in or connected with any unsound, improper, dishonest, deceitful or fraudulent financial practice detrimental to the interests of the depositors and other creditors of such member institution, in carrying out business operations or management of such member institution;
 - (ii) such directors or key management personnel have been determined by the Central Bank, to be not fit and proper to hold such office in a member institution under any written law for the time being in force;
 - (iii) the Central Bank determines *ex mero motu*, upon being satisfied based on the material available, and after granting such directors or key management personnel, as the case may be, an opportunity of being heard, that such directors or key management personnel are not entitled to receive any benefit under the Scheme, due to such directors or key management personnel engaging in, or having engaged in, or being involved in, or

being responsible for, carrying on the business operations or management of such member institution through any unsound, improper, dishonest, deceitful or fraudulent financial practices detrimental to the interests of its depositors and other creditors;

- (d) deposits falling within the meaning of abandoned property under the Banking Act and dormant deposits under the Finance Business Act, as the case may be, which have been transferred to the Central Bank, in terms of the directions issued by the Central Bank, from time to time;
- (e) deposits held by any Government institution, including a Ministry, Department, Provincial Council or local authority; and
- (f) any other deposit liability of a member institution as may be determined by the Central Bank as not eligible under the Scheme.

(4) The Central Bank may, from time to time, issue operating instructions to member institutions regarding the implementation and operation of the Scheme.

Compensation to
depositors

44. (1) Compensation shall be paid to depositors on insured deposits as per the directions issued by the Central Bank, from time to time, or as hereinafter provided.

(2) Payment of compensation on insured deposits of a member institution shall be initiated within thirty days from the date of cancellation of the licence issued to such member institution.

(3) A depositor of insured deposits shall be entitled to receive compensation under subsection (1) in so far as such depositor submits a duly completed claim for compensation within six years from the date of the cancellation of the licence issued to the member institution.

(4) For the purpose of making compensation under subsection (1), the Deposit Insurance Fund established under section 49 shall automatically subrogate to the rights of depositors against such member institution in an amount equal to the amount of the insured deposits owed by the member institution, regardless of the date on which such amounts are actually paid to its insured depositors:

Provided however, the depositors of insured deposits of member institutions whose licences have been cancelled or suspended prior to August 6, 2021 shall submit their claims not later than four years from the date of the cancellation or suspension of the licences issued to such institutions.

(5) For the purposes of this Part of this Act, a member institution shall maintain records of all depositors of such institution with a unique identification number for each such depositor and submit the details of all depositors to the Central Bank periodically, in such form and manner as may be determined by the Central Bank.

(6) In the event a licence issued to a member institution is cancelled by the Central Bank, such member institution shall, within fourteen days from the date of such cancellation, submit a list of depositors of such institution in the form and manner specified in subsection (5) to the Central Bank for the purpose of payment of compensation to the depositors under the Scheme.

(7) The list of depositors referred to in subsection (6) shall be certified by the respective heads of the supervisory departments of the Central Bank. For the purpose of certification of the list of depositors, the respective heads of the supervisory departments may obtain the service of an external auditor, if necessary.

(8) The compensation payable in respect of insured deposits of a member institution shall be computed aggregating all insured deposit liabilities for each depositor

inclusive of any interest accrued thereon as at the date of cancellation of licence of such member institution, and any interest shall not be paid for the succeeding period.

(9) The maximum amount of compensation payable to a depositor under subsection (8) shall be determined by the Central Bank, from time to time, considering the protection of the interests of the majority of insured depositors under the Scheme, the soundness of the banking and financial system and the monies available in the Deposit Insurance Fund.

(10) When determining the compensation payable under subsection (8), the Central Bank shall take into consideration the type of currency of the insured deposits. If such deposits are in foreign currency, an amount equivalent to such amount of money in Sri Lanka Rupees determined by the Central Bank under subsection (9) shall be paid to such depositor.

(11) The payment of compensation shall not in any event incur a liability of the Central Bank and the Central Bank shall not be held liable for any liability that exceeds the total amount of moneys lying to the credit of the Deposit Insurance Fund.

(12) Where the amount of money lying to the credit of the Deposit Insurance Fund falls short of its liabilities to depositors, additional funding may be raised through borrowings from the Government or from other sources, and for such purpose, the Scheme and the Ministry of Finance shall maintain at all times a memorandum of understanding setting out the terms, conditions and procedures to facilitate such borrowings.

(13) The Head of the Department established under section 4 or any officer authorized by the Central Bank may issue instructions to member institutions relating to the maintaining of records of depositors or any other matter, from time to time.

45. (1) Upon the payment of compensation under section 44, the Scheme shall be subrogated to all the rights of the insured depositors against the member institution whose licence has been cancelled, to the extent of total insured deposit value.

Subrogation of the Scheme to the rights of depositors

(2) The subrogation to the rights of depositors set forth in this section shall not affect a depositor's claims against the member institution for amounts that are not covered by the Deposit Insurance Fund.

46. The Central Bank may make payments of compensation to depositors under the Scheme directly or through any other licensed bank as may be determined by the Central Bank which consents to act as a payment bank.

Compensation may be paid through another licensed bank

47. The Central Bank shall, within seven working days prior to the date of implementation of the payment of compensation under the Scheme, publish a notice on the implementation of such payment in at least three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka, containing-

Notice of payment of compensation

- (a) the details of the payment bank;
- (b) particulars to be submitted by the depositors to receive compensation;
- (c) maximum amount of compensation that shall be paid per depositor; and
- (d) such other instructions to depositors as to how they shall submit their claims for the payment of compensation.

Reporting by
member
institutions

48. Every member institution shall provide to the Central Bank or to any officer authorized by the Central Bank, the information as may be required by the Central Bank, from time to time, in such manner as the Central Bank may specify, from time to time.

Deposit
Insurance Fund

49. (1) The Central Bank shall, as part of the operation of the Scheme, establish a Deposit Insurance Fund, which shall be managed separately from other assets of the Central Bank and the assets managed by the Central Bank.

(2) The Central Bank may sue or be sued in the name of the Deposit Insurance Fund.

Powers, duties
and functions of
the Central Bank
relating to the
Deposit
Insurance Fund

50. (1) The Central Bank shall manage, administer, and supervise the affairs of the Deposit Insurance Fund subject to the provisions of this Act.

(2) In managing, administering and supervising the affairs of the Deposit Insurance Fund, the Central Bank shall exercise, perform and discharge the following powers, duties and functions:-

- (a) to formulate policies in relation to the general administration of the Deposit Insurance Fund and such other matters relating thereto;
- (b) to enter into agreements with any international financial institution in the name of the Deposit Insurance Fund to ensure the effective administration and management of the Deposit Insurance Fund;
- (c) to accept from the Government or any international financial institution, any grant or aid, or borrowing in the name of the Deposit Insurance Fund, as it may consider necessary;
- (d) to formulate procedures for repaying insured deposits by utilizing the moneys available in the Deposit Insurance Fund;

- (e) to make investments and enter into any transaction or agreement as may be necessary or desirable for the financial management of the Deposit Insurance Fund;
- (f) to settle or compromise any claim authorized by the Central Bank by or against the Deposit Insurance Fund;
- (g) to determine the period within which the compensation shall be paid to depositors under section 44; or
- (h) to do such other things which the Central Bank considers necessary to ensure the effective administration and management of the Deposit Insurance Fund.

51. (1) There shall be credited to the Deposit Insurance Fund –

Sources of funds of the Deposit Insurance Fund

- (a) the monies lying to the credit of the Deposit Insurance Fund under the Sri Lanka Deposit Insurance and Liquidity Support Scheme established under the laws for the time being in force, as at the appointed date;
- (b) the premia and penalties paid by member institutions;
- (c) the investment income and gains derived from the investments of the moneys in the Deposit Insurance Fund;
- (d) recoveries of secured advances or loans granted to any member institutions under the Sri Lanka Deposit Insurance and Liquidity Support Scheme established under the laws for the time being in force;

- (e) the sums from the recovery of compensation paid to depositors from and out of the assets of a member institution during the winding up proceedings instituted against such institution;
- (f) such sums as may be appropriated out of the abandoned property or dormant deposits of member institutions, as the case may be, which have been transferred to the Central Bank under the Banking Act;
- (g) the moneys received as additional premia and penalties paid by the member institutions under this Part of this Act;
- (h) the borrowings from the Government or any international financial institution, as may be approved by the Central Bank; and
- (i) any other receipt from any other sources of income as may be approved by the Central Bank.

(2) The Deposit Insurance Fund shall be utilized to make payments in respect of –

- (a) compensation to depositors of insured deposits of member institutions;
- (b) abandoned property or dormant deposits of member institutions lying to the credit of the Deposit Insurance Fund;
- (c) repaying of any borrowings obtained from the Government or any international financial institution; and
- (d) such operating expenses of the Scheme as may be determined by the Central Bank.

(3) The Central Bank may require the Scheme to provide financing to effectively facilitate the resolution of a licensed bank through the transfer of assets and liabilities to a transferee or bridge bank, by way of paying any difference between such assets and liabilities transferred, or by issuing guarantee or providing indemnities for losses related to the transferred assets and liabilities:

Provided that, the total amount of financing provided under this subsection shall not exceed the amount of total compensation to be paid to the depositors of such bank under section 44, and such financing shall be subject to a confirmation by the Central Bank that, with the transfer of assets and liabilities, insured deposits shall be owed by a viable bank:

Provided further, that the holders of all classes of share capital and subordinated debt holders shall have absorbed, or will absorb, the losses.

(4) (a) The Central Bank shall have the right to recover from the licensed bank subject to resolution, the total amount of financing provided by the Scheme to such bank under subsection (3).

(b) The amount to be recovered from the licensed bank to the Scheme under this subsection shall rank, *pari passu* with the insured deposits and claims of the Deposit Insurance Fund arising from subrogation of rights of insured depositors under section 45.

52. All moneys lying to the credit of the Deposit Insurance Fund, shall be invested by the Central Bank in Treasury Bills, Treasury Bonds, any other marketable securities, having regard to the safety, liquidity and return of such investments in accordance with the policies and guidelines issued by the Central Bank, from time to time, relating to the investment of the moneys of the Deposit Insurance Fund.

Investment of
the moneys of
the Deposit
Insurance Fund

53. If, at any time, the liquid funds available in the Deposit Insurance Fund are considered insufficient to meet the payout requirements of the Scheme, the Central Bank may extend a liquidity line to the Deposit Insurance Fund against existing collateral in the Deposit Insurance Fund's portfolio or against a guarantee issued by the Ministry of Finance on such terms and conditions, and for such period, as it may consider necessary.

Transfer of
funds from the
Central Bank to
the Deposit
Insurance Fund

Financial
statements of the
Deposit
Insurance Fund

54. (1) The financial statements of the Deposit Insurance Fund shall be prepared in accordance with the applicable accounting standards. The accounts of the Deposit Insurance Fund shall be maintained in such form and manner as may be determined by the Central Bank, from time to time. Such financial statements shall be maintained separately and shall not be considered as part of the financial statements of the Central Bank.

(2) The Central Bank shall be responsible for the preparation of the financial statements of the Deposit Insurance Fund within three months from the end of each financial year and such financial statements shall be audited by the Auditor-General.

(3) The Central Bank shall publish the audited financial statements of the Deposit Insurance Fund within four months from the end of the financial year at least once in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka and in such other manner as may be determined by the Central Bank.

Member
institutions to
pay a premium
to the Deposit
Insurance Fund

55. (1) Each member institution shall pay to the Deposit Insurance Fund a premium calculated on the total amount of eligible deposits for such periods, at such rate, at such times and in such manner as may be determined, from time to time, by the Central Bank.

(2) Where any member institution makes any default in the payments of premium due under subsection (1), such member institution shall be liable to pay to the Central Bank, a penalty for the period of such default, at such rate as may be determined by the Central Bank.

(3) In exceptional circumstances, the Central Bank shall have the authority to require the member institutions to pay such additional premium to the Deposit Insurance Fund within such period, as may be specified by the Central Bank.

(4) In the event any member institution fails to pay the additional premium referred to in subsection (3) within the period specified, the Central Bank may, on a case-by-case basis-

- (a) having regard to the reasons explained by such institution, grant additional time for such member institution to pay such additional premium; or
- (b) impose on such member institution a late payment fee on the defaulted premium at such rate, as may be determined by the Central Bank.

(5) No person other than a member institution, shall represent to the general public that such person is a member of the Scheme and its deposit liabilities are insured under this Act.

(6) Any person who contravenes the provisions of subsection (5) commits an offence and shall, on conviction, be liable to a fine not exceeding ten million rupees or to imprisonment for a term not exceeding three years or to both such fine and imprisonment, and shall, in addition, be liable to a fine not exceeding fifty thousand rupees for each day during which such contravention continues.

56. For the purposes of this Part of this Act, the Head of the Department established under section 4 or any other officer authorized by the Central Bank shall have the power to examine and supervise the activities of any member institution.

Examination
and supervision
of member
institutions

Application of
certain
provisions of the
Act to non-bank
financial
institutions

57. (1) The Central Bank may, from time to time, by Order, declare that the provisions of Part I and Part II of this Act relating to resolution of licensed banks shall apply to any class or category of non-bank financial institutions licensed or appointed, and regulated and supervised by the Central Bank (hereinafter referred to as a "non-bank financial institution"), where the Central Bank is satisfied that it is necessary to-

- (a) promote monetary and financial system stability;
or
- (b) protect the interests of the public in respect of the business or activities carried on by such class or category of non-bank financial institutions.

(2) Where an Order is made under this section by the Central Bank, any reference made in this Act to the Director of Bank Supervision shall, where appropriate, be deemed to have been made to the Director, the Department of Supervision of Non-bank Financial Institutions of the Central Bank.

PART IV

FINANCIAL SECTOR CRISIS MANAGEMENT COMMITTEE

Financial Sector
Crisis
Management
Committee

58. (1) There shall be established a committee called the Financial Sector Crisis Management Committee for the purpose of effectively managing and minimizing the impact of financial crises which are systemic in nature.

(2) The Financial Sector Crisis Management Committee shall consist of the following members: -

- (a) the Governor of the Central Bank, who shall be the Chairperson of the Financial Sector Crisis Management Committee;
- (b) the Secretary to the Treasury who shall be the Deputy Chairperson of the Financial Sector Crisis Management Committee;
- (c) an appointed member of the Governing Board of the Central Bank with expertise on financial sector;
- (d) the Deputy Governor of the Central Bank in charge of financial system stability; and
- (e) the Deputy Secretary to the Treasury in charge of fiscal operations.

59. (1) The Financial Sector Crisis Management Committee shall, for the purpose of operationalization of the Financial Sector Crisis Management Committee, prepare and approve procedures, including procedures for -

Duties and functions of the Financial Sector Crisis Management Committee

- (a) identifying crisis times;
- (b) determining the powers, duties and functions of the Financial Sector Crisis Management Committee on crisis preparedness and management;
- (c) the appointment of members to the Technical Committee on Financial Sector Crisis Management appointed under section 60;
- (d) determining the duties and functions of the Technical Committee on Financial Sector Crisis Management during crisis and non-crisis times; and

(e) determining the duties and functions of the Secretariat.

(2) During non-crisis times, it shall be lawful for the Financial Sector Crisis Management Committee to take decisions on an ongoing basis, aimed at strengthening its crisis management powers, expertise, and resources to strengthen the preparedness and resilience to avoid, control, or manage the risk of future crises, which may cause instability of the financial system.

(3) During crisis times, it shall be lawful for the Financial Sector Crisis Management Committee to approve, and coordinate the overall crisis management strategy, in consultation with the other authorities of the financial sector, and take decisions to manage, and control such crises, without prejudice to the powers, duties, functions, and independence of such authorities.

The Technical
Committee on
Financial Sector
Crisis
Management

60. (1) There shall be a technical committee called the Technical Committee on Financial Sector Crisis Management to assist the Financial Sector Crisis Management Committee, which shall operate in crisis and non-crisis times.

(2) The Technical Committee on Financial Sector Crisis Management shall consist of such number of members appointed by the Financial Sector Crisis Management Committee, representing the Central Bank and the Ministry of the Minister.

(3) Without prejudice to the provisions of section 59, the Technical Committee on Financial Sector Crisis Management shall be chaired by the Deputy Governor of the Central Bank in charge of financial system stability.

Secretariat of the
Committees

61. The Central Bank shall function as the Secretariat of the Financial Sector Crisis Management Committee and the Technical Committee on Financial Sector Crisis Management.

62. (1) The Financial Sector Crisis Management Committee shall hold meetings as and when necessary, but at least once a month when it operates in crisis times and at least once every quarter in non-crisis times.

Meetings of the
Financial Sector
Crisis
Management
Committee

(2) The Chairperson of the Financial Sector Crisis Management Committee may call extraordinary meetings depending on the circumstances and needs.

(3) The *quorum* for any meeting of the Financial Sector Crisis Management Committee shall be constituted by the presence of the Chairperson or the person acting as Chairperson and the simple majority of the remaining members.

(4) In the absence of the Chairperson from any meeting, the Deputy Chairperson shall preside at such meetings. In the absence of both the Chairperson and the Deputy Chairperson from any meeting, any other member shall be elected to preside at such meeting from among the members present at such meeting.

63. The Chairpersons of the Financial Sector Crisis Management Committee and the Technical Committee on Financial Sector Crisis Management may, as and when necessary, invite such relevant stakeholders from the public and private sectors as such Committees may determine, to attend the meetings of such Committees as observers to discuss relevant issues depending on the circumstances and needs.

Committees may
invite public and
private sector
stakeholders to
meetings

64. Each member of the Financial Sector Crisis Management Committee and the Technical Committee on Financial Sector Crisis Management and the officers and other employees of the Secretariat shall maintain strict

Confidentiality
of the
information of
Committees

confidentiality with regard to the information received and collected by such Committees, including the views expressed by the members of such Committees in the performance and discharge of the duties and functions of such Committees and shall use them solely for the purpose of the activities of the respective Committees.

PART V

WINDING UP OF LICENSED BANK

Provisions of this Part of this Act to prevail over any other law

65. Unless otherwise provided for in this Part of this Act, in the event of any conflict or inconsistency between the provisions of this Part of this Act and the provisions of the Banking Act, the Monetary Law Act, the Finance Business Act, the Companies Act, or any other written law relating to insolvency of companies for the time being in force, the provisions of this Part of this Act shall prevail.

Winding up of a licensed bank

66. (1) A licensed bank may be wound up by the Central Bank, in any of the following circumstances: -

- (a) where the Central Bank is satisfied that the resolution measures referred to in Part II of this Act are not likely to achieve one or more of the objectives set out in section 8;
- (b) the Administrator recommends that the licensed bank be wound up, under section 21;
- (c) where the assets and liabilities of a licensed bank are partially transferred to a transferee, including a bridge bank under the provisions of Part II of this Act; or
- (d) the Central Bank, in the process of resolution, concludes that the prospect of a successful resolution is unlikely under the provisions of Part II of this Act.

(2) Where the Central Bank determines that a licensed bank shall be wound up due to any of the grounds specified in subsection (1), the Central Bank shall grant such licensed bank, an opportunity of being heard and take steps to cancel the licence issued to such licensed bank and commence proceedings for its winding up in accordance with the provisions of this Part of this Act.

(3) Upon cancellation of the licence by the Central Bank under subsection (2), the licensed bank shall forthwith cease carrying out of its business within and outside Sri Lanka.

67. (1) Where the licence issued to a licensed bank is cancelled by the Central Bank under subsection (2) of section 66, the Head of the Department established under section 4 may make an application to the court to commence winding up proceedings against such licensed bank.

Application to
court for a
winding up
order

(2) An application to the court under subsection (1) shall be by way of a petition made in accordance with the provisions of this Part of this Act. Such petition shall be supported by documentary evidence to prove the grounds for the winding up.

(3) The court shall, after considering the application made under subsection (1), fix a date to support the winding up petition, which shall not exceed two months from the date of the winding up petition filed under subsection (2).

(4) The Head of the Department established under section 4 shall publish in the *Gazette*, the date fixed to support the winding up petition under subsection (3), within a period of fourteen working days from the date called to fix the date to support, requiring creditors or any other interested party of the licensed bank subject to winding up, to notify him in such form and within such period as may be specified in that

publication, whether they intervene into the winding up application filed under subsection (1), as parties (in this Act referred to as the "intervening parties"). The period of notification given to intervening parties shall not exceed fourteen days from the date of such *Gazette*. Details of the intervening parties notified under this section shall be submitted to the court on the date fixed to support the winding up petition.

(5) No person specified in subsection (4) shall intervene in the winding up proceedings before the date on which such petition is supported.

(6) The court may, after considering the application made under subsection (1), and submissions of the intervening parties, make an order (in this Act referred to as the "winding up order") to commence the winding up proceedings against such licensed bank.

(7) The winding up order shall come into effect from the date specified in such order.

(8) If the court is of the opinion, after considering the submissions of the Head of the Department established under section 4 and the intervening parties that the licensed bank is not insolvent, it may make order permitting the licensed bank to resume business, either unconditionally or subject to such conditions as the court may consider necessary in the public interest or in the interests of the depositors and other creditors of the licensed bank.

(9) Upon coming into effect of the winding up order, the right of any depositor, creditor, or any contracting counterparty to access or execute their rights, titles and interests recorded in the books or records of the licensed bank shall be forthwith suspended.

(10) For the purposes of this Part of this Act, the value of the assets and liabilities of a licensed bank which is subject to winding up shall be determined in accordance with the applicable Sri Lanka Accounting Standards.

(11) Every order made by the court under this section shall be subject to an appeal to the Supreme Court and the provisions of the High Court of the Provinces (Special Provisions) Act, No.10 of 1996 relating to an appeal shall, *mutatis mutandis*, apply to and in respect of any such appeal.

68. (1) In pursuance to the winding up order, the court shall appoint a person nominated by the Central Bank as the liquidator to act on its behalf for the purposes of winding up of the operations of the licensed bank.

Appointment of
a liquidator

(2) The Central Bank shall, immediately after the appointment of the liquidator under subsection (1), give notice of the winding up order and the appointment of liquidator under subsection (1), to the licensed bank, and shall publish such notice in the *Gazette* and at least in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka.

69. (1) The liquidator appointed under section 68 shall be the sole legal representative of the licensed bank subject to winding up, and shall succeed to all rights and powers of the shareholders, the Board of Directors, key management personnel and such other officers of the licensed bank, including all the powers necessary or expedient to manage, control, operate, and wind up the licensed bank:

Powers, duties
and functions of
the liquidator

Provided however, the liquidator may request the court to vest all or part of the assets and liabilities of the licensed bank subject to winding up in another licensed bank, with the concurrence of the Central Bank.

(2) The liquidator shall exercise, perform and discharge the powers, duties and functions relating to winding up under the direction and supervision of the court and the Central Bank:

Provided however, the Central Bank shall ensure that any direction given to the liquidator does not contravene the directions, orders, judgements and instructions given by the court during the winding up process.

(3) The liquidator shall, subject to the direction and supervision of the Central Bank, take charge of the offices, books, records and other information and assets of the licensed bank subject to winding up.

(4) A liquidator may, for the purpose of exercising, performing and discharging the powers, duties and functions relating to the winding up of the licensed bank, at the expense of the licensed bank, obtain services of independent attorneys, accountants, auditors, consultants, valuers, or such other persons, on such terms and conditions, as may be agreed with such persons in writing.

(5) The liquidator shall be entitled to an indemnity out of the property of the licensed bank subject to winding up in respect of his personal liabilities under this Part of this Act.

Remuneration of
the liquidator

70. (1) The liquidator shall be paid such remuneration as may be specified by the court as a percentage of the value of the assets of the licensed bank subject to winding up or as the court may otherwise specify.

(2) The remuneration specified by the court under subsection (1) and such reasonable and incidental expenses incurred by the liquidator in the process of winding up of the licensed bank shall be paid from the existing assets of such licensed bank.

71. (1) The court shall remove the liquidator, upon an application made in that behalf by the Head of the Department established under section 4, where the liquidator-

Removal of the liquidator

- (a) has died or been incapacitated to act as the liquidator;
- (b) has submitted a letter of resignation;
- (c) in the opinion of the Central Bank, has failed to exercise, perform or discharge any power, duty, or function of such liquidator or to comply with the terms and conditions imposed on such liquidator under this Part of this Act; or
- (d) becomes ineligible to serve in that capacity in any other manner.

(2) The court shall, upon removal of the liquidator under the provisions of subsection (1), appoint another person nominated by the Central Bank as the liquidator.

(3) The Central Bank shall, immediately after the appointment of the liquidator under subsection (2), give notice of appointment of the new liquidator to the licensed bank, and shall publish such notice in the *Gazette* and at least in three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka.

(4) The provisions of sections 69 and 70 shall, *mutatis mutandis*, apply to the liquidator appointed under subsection (2).

Liquidator to
prepare a
winding up plan

72. (1) Within a period of three months from the date of winding up order made under section 67, the liquidator shall prepare and submit to the Central Bank for its approval, a detailed winding up plan for the licensed bank subject to winding up.

(2) The winding up plan referred to in subsection (1) shall include –

- (a) a current *pro forma* statement of financial position showing the assets and liabilities of the licensed bank;
- (b) quarterly statements of income and expenditure of the preceding period of two years and projected income and expenditure for the succeeding period of two years of the licensed bank;
- (c) a progress report on the sale and plans for the sale of major assets or groups of assets of the licensed bank;
- (d) a report on the judicial or extra-judicial pursuit of claims of the licensed bank, including any action to obtain an annulment or a declaration of invalidity of fraudulent conveyances, and the transfers made and rights created by them;
- (e) a report on offences and other illegal activities of directors or officers of the licensed bank and actions to obtain compensation for the licensed bank from such directors or officers;
- (f) a report on the continuation or termination of ongoing contracts, such as insurance, employment and service contracts of the licensed bank, including a detailed analysis of financial provisions for its employees;

- (g) a report on the liabilities of the licensed bank and a schedule of expected payments to creditors of the licensed bank during the succeeding period of three months; and
- (h) a report on actual, past and estimated future costs for the preceding and succeeding period of two years, respectively, and expenses of the winding up.

(3) The Central Bank shall, if it is satisfied with the content of the winding up plan submitted under subsection (1), approve such plan and inform the liquidator in writing of such approval.

(4) The liquidator shall, after the winding up plan is approved by the Central Bank under subsection (3), submit such winding up plan, together with the approval given by the Central Bank, to the court for approval.

(5) The liquidator shall, after receiving the approval of the court for the winding up plan, publish, once a week for three consecutive weeks, a notice at least in three Sinhala, Tamil, and English daily newspapers circulating in Sri Lanka, which shall contain information of the date when, and the place where, the winding up plan and updates of such plan will be available for inspection by the claimants of the licensed bank subject to winding up who have registered their claims under section 79.

(6) The winding up plan approved by the court shall be updated quarterly by the liquidator.

(7) The liquidator shall maintain proper books and records including a cost-benefit analysis of the implementation of the winding up plan and shall submit the same for the

inspection of the Head of the Department established under section 4 or any officer authorized in that behalf by the Central Bank.

Prohibition in regard to court proceedings against licensed bank subject to winding up

73. (1) Where the winding up proceedings on a licensed bank are initiated pursuant to a winding up order, any court proceeding against such licensed bank shall not be commenced, and all court proceedings pending against such licensed bank shall be stayed forthwith, with the leave of the court and subject to such terms as the court may impose.

(2) In pursuance of the winding up order, any creditor other than a secured creditor shall not have the right to execute any of his personal right, title or interest against the licensed bank subject to winding up or impose any other restraints on the assets thereof.

(3) All attachments placed, and acts of execution performed on the assets of the licensed bank subject to winding up after the date of coming into effect of the winding up order, shall be void, except for realization of assets encumbered by a mortgage or lien, to the extent of the debt secured by such assets.

(4) Any interest or other charge shall not accrue on liabilities of a licensed bank on or after the date of coming into effect of the winding up order.

Liquidator to apply to court for an order to nullify certain acts

74. (1) The liquidator shall, in consultation with the Central Bank, and after giving notice to the licensed bank subject to winding up, make an application to the court requesting that any act, including but not limited to, any act of such licensed bank that has been carried out within the period of ninety days before the date of coming into effect of the winding up order, be declared null and void.

(2) The court may upon receipt of an application under subsection (1), and on being heard the parties named in such application, if satisfied, that such licensed bank and such parties involved in such act have had the knowledge or should have known at the time of carrying out of such act that it is likely to damage the interests of depositors or other creditors of such licensed bank, declare that any act, including but not limited to, any transaction of the licensed bank subject to winding up that has been carried out within the period of ninety days before the date of coming into effect of the winding up order, to be null and void.

(3) The knowledge referred to in subsection (2) shall be presumed whenever such act consists of –

- (a) a gift or other transfer to any person without consideration;
- (b) a payment of money, or transfer of assets or any other interest of the licensed bank, a shareholder, director, an Administrator, a key management personnel or an employee of the licensed bank, unless such licensed bank, shareholder, director, Administrator, key management personnel or the employee proves to the satisfaction of the court, taking into account the views of the Central Bank, that-
 - (i) such person engaged in the payment of money or transfer of assets or interests of the licensed bank as a *bona fide* counterparty;
 - (ii) such person had reasonable grounds to believe that the payment of money or transfer of assets or interests of the licensed bank as the case may be, is genuine based on the representations made by the licensed bank in that respect; and

- (iii) such person was not aware that the payment of money or the transfer of assets or interests of the licensed bank would have damaged the interests of the depositors and creditors of such licensed bank;
- (c) a payment or transfer made prior to its due date, or the transfer of collateral for a debt prior to the date on which such debt becomes payable;
- (d) the conclusion or performance of a contract imposing obligations on the licensed bank that are significantly more onerous than the obligations imposed on the other party or parties to the contract;
- (e) an arrangement between the licensed bank and one or more other persons, other than a financial contract, permitting setting off rights and obligations of the licensed bank, prior to the issuance of the winding up order;
- (f) an inter-bank transfer between a bank incorporated outside Sri Lanka, which has been issued a licence under the Banking Act and the head office of that bank, its branches or subsidiaries which have been established outside Sri Lanka; or
- (g) a transfer between the licensed bank and its related parties.

Termination of
fiduciary
functions

75. The liquidator shall, as soon as practicable, take steps to –

- (a) cease and terminate all functions discharged by the licensed bank in a fiduciary capacity;

- (b) return all funds and other property held by the licensed bank in a fiduciary capacity, or under bailment, or as bailor of a safe deposit box, to the persons or their legal heirs or representatives who are legally entitled to the ownership of such funds or property, as the case may be; and
- (c) settle the fiduciary accounts of the licensed bank.

76. (1) Within a period of six months from the date of the winding up order, the liquidator may, with the approval of the court and subject to the issuance of a ninety days' prior written notice, and the provisions of any other law for the time being in force, terminate -

Termination of
existing
contracts

- (a) any contract of employment entered into with the licensed bank;
- (b) any contract for services to which the licensed bank is a party; or
- (c) any obligations of the licensed bank including, but without limiting to, its obligations, if any-
 - (i) under any credit facility provided by the licensed bank;
 - (ii) as a lessee;
 - (iii) to deliver or to take delivery of securities, payment instruments or foreign currency;
 - (iv) under letters of credit; or
 - (v) under guarantees, options and other contingent liabilities.

(2) A lessor who has received a ninety days' prior notice of the termination of a lease under paragraph (c) of subsection (1), shall have no claim for rent other than the rent accrued on the date of termination of the lease, nor for damages by reason of such termination.

(3) Any person aggrieved by the decision of the court to grant approval under subsection (1) may appeal to the Supreme Court against such decision, within forty-five days from the date of the notice issued under that subsection and the provisions of the High Court of the Provinces (Special Provisions) Act, No.10 of 1996 shall, *mutatis mutandis*, apply to and in respect of such appeal.

Finality in
payment,
clearing and
settlement
systems

77. (1) Notwithstanding anything to the contrary contained in the provisions of this Act or any other written law for the time being in force-

- (a) any irrevocable money or securities transfer order that has been entered by a licensed bank into a payment or securities settlement system recognized as such by the Central Bank shall be legally enforceable and binding on third parties, despite the issuing of a winding up order against the licensed bank, provided that such transfer order has become irrevocable before the winding up order takes effect; or
- (b) where a licensed bank enters any irrevocable money or securities transfer order into a payment or securities settlement system after the winding up order issued against the licensed bank takes effect, and such transfer order is carried out on the day of coming into effect of the winding up order, such transfer order shall be legally enforceable and binding on any third party.

(2) Any written law for the time being in force on the setting aside of contracts and transactions entered into or made before the coming into effect of the winding up order, shall not have effect on unwinding of a netting by a payment or settlement system recognized by the Central Bank.

(3) For the purposes of this section –

- (a) a transfer order entered into a payments or securities settlement system becomes irrevocable at the time defined by the laws, regulations or rules applicable to that system; and
- (b) "netting" means the conversion into one net claim or one net obligation of all claims or obligations resulting from transfer orders, which a participant or participants in a settlement system either issue to, or receive from, one or more other participants in that system with the result that only a net claim or a net obligation remains.

78. (1) Within one month from the date of taking charge of the assets, books, records and other information in any form under subsection (3) of section 69, the liquidator shall submit to the Central Bank an interim report containing all assets, claims, contracts, and major transactions of the licensed bank subject to winding up.

Reports to be
submitted by
liquidator

(2) It shall be lawful for any officer authorized by the Central Bank to submit to the liquidator such information on the assets and liabilities of the licensed bank subject to winding up, available in the custody of such authorized officer, which may be required to recognize assets and liabilities of such licensed bank.

(3) Within two months from the date of the interim report referred to in subsection (1), the liquidator shall submit to the Central Bank a final report of –

- (a) all the assets of the licensed bank, including claims of the licensed bank on account of unpaid subscriptions of share capital of the licensed bank, loan and guarantee agreements and agreements of purchase or sale, together with the book values and estimated liquidation values of such assets;
- (b) major transactions entered into by the licensed bank during the period of ninety days immediately preceding the date of the winding up order;
- (c) the contracts pursuant to which any property of the licensed bank is or will be held by other parties, including sales, rent, lease and such other collateral agreements; and
- (d) the contracts pursuant to which the licensed bank receives services from third parties.

(4) Within fourteen days from the submission of the final report under subsection (3), the Central Bank may grant approval to, or further develop the same, in consultation with the liquidator.

(5) The liquidator shall tender to the court a certified copy of the final report approved by the Central bank under subsection (4).

(6) The liquidator shall update the report tendered to the court under subsection (5) periodically as may be required by the Central Bank and submit the same to the Central Bank. The provisions of subsections (4) and (5) shall *mutatis mutandis* apply to such updated report.

Registration of
claims

79. (1) Any claim on a licensed Bank subject to winding up shall be made to the liquidator in writing, within four months from the date of winding up order.

(2) Any claim under subsection (1) shall accompany the documentary evidence in relation to such claim, including the following information at a minimum: -

- (a) the name and address of the creditor;
- (b) nature of the claim, including the amounts of interest and other charges, penalties and taxes included in the principal amount of the claim; and
- (c) details concerning any mortgage, lien or guarantee securing the claim, including the name and address of any guarantor.

(3) Subject to the provisions of subsection (5) of section 80, the liquidator shall register each such claim made to him under subsection (1) and issue a receipt in such form as may be specified by the Central Bank in proof of such registration.

(4) The receipt referred to in subsection (3), shall be *prima facie* evidence of the registration of a claim.

(5) Anything contained in this section shall not apply to any claim submitted by a depositor in respect of a deposit recorded in the books or records of a licensed bank subject to winding up, and such claim shall be admitted for the amount so recorded, for the purpose of giving effect to the winding up order.

80. (1) Subject to the provisions of subsections (4) and (5), only the claims that are registered with the liquidator shall be considered by the liquidator for the purpose of giving effect to winding up proceedings of a licensed bank, without further evidence to that effect.

Admission or
rejection of
claims

(2) Any creditor of the licensed bank whose claim is secured by a mortgage or lien, may register such claim for an amount exceeding the expected value of the underlying asset which may be sold at a public auction or the market value as may be determined by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(3) Any claim registered under the provisions of subsection (2), shall only be admitted by the liquidator after the public auction has taken place.

(4) Any claim of which the value is uncertain, may be admitted by the liquidator for a value as determined by the liquidator in consultation with an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16.

(5) The liquidator shall, after examining each claim registered under subsection (3) of section 79, classify such claims as-

- (a) claims admitted by the liquidator; and
- (b) claims rejected by the liquidator.

(6) The liquidator shall, for the purpose of recording the claims classified under subsection (5), maintain two separate lists. In the case of claims classified as claims rejected under paragraph (b) of subsection (5), the liquidator shall record in such list the reasons for classifying such claims as rejected claims.

(7) In both of the lists referred to in subsection (6)-

- (a) the name and address, the amount of the claim, and whether the claim is secured by collateral shall be specified in respect of each claimant; and

(b) claims of equal ranking shall be listed together, in the order of their priority of payment.

(8) Both of the lists referred to in subsection (6) shall be completed and submitted to the court, within a period of thirty working days from the deadline specified for the registration of claims.

(9) The liquidator shall, after submitting the first set of lists as referred to in subsection (6), update such reports periodically and submit the updated lists to the court at such times as may be specified by the court.

(10) The liquidator shall notify every claimant whose claim has been classified as rejected under subsection (5) the fact of such rejection in writing, within a period of one month from the date of issuance of the receipt under subsection (3) of section 79.

81. (1) Any claimant who is aggrieved by the rejection of a claim under the provisions of section 80 may, within a period of one month from the date of receipt of the notification under subsection (10) of section 80, apply to the court for an order for the admission of such claim.

Appeals against
rejected claims

(2) The court may, after considering the application made under subsection (1), make order admitting or rejecting such claim.

(3) Any claim admitted by the court under subsection (2), shall be removed from the list of rejected claims referred to in subsection (6) of section 80, and be recorded in a separate list of admitted claims to be maintained jointly by the court and the liquidator.

(4) Any payment shall not be made by the liquidator on account of claims that are rejected by the court.

(5) Any claimant whose claim has been rejected by the court, may appeal to the Supreme Court against such decision within forty-five days from the date of such decision and the provisions of the High Court of the Provinces (Special Provisions) Act, No.10 of 1996 relating to appeals shall, *mutatis mutandis*, apply to and in respect of such appeal.

Disposal of assets, liabilities, or shares, &c in a winding up

82. Subject to the provisions of section 84, the liquidator may, with the concurrence of the Central Bank and with the approval of the court, dispose of all or part of any assets, liabilities, legal rights and obligations or any property of the licensed bank after the commencement of winding up under this Part of this Act.

Setting off and netting

83. (1) Anything contained in the provisions of this Act and any decision taken thereunder shall not prevent or prohibit the setting off, by operation of the law, of obligations between a licensed bank subject to winding up and its contractual counterparties.

(2) In determining the rights and obligations between a licensed bank subject to winding up and its contractual counterparties, close-out netting and set off provisions contained in financial contracts between such licensed bank and the respective contractual counterparties shall be taken into consideration.

(3) The net termination value determined in accordance with a financial contract between the licensed bank subject to winding up and the respective contractual counterparty, shall be a claim of such licensed bank on the counterparty, or shall be admitted after its registration as a claim of the counterparty on the licensed bank under the provisions of section 79.

(4) For the purposes of this section, "net termination value" means the net amount obtained after setting off the mutual obligations between the parties to a financial contract in accordance with the terms and conditions thereof.

(5) The Central Bank shall specify the matters pertaining to setting off and netting including financial contracts, by issuing directions, from time to time.

84. (1) All assets of a licensed bank subject to winding up, other than assets securing approved claims of secured creditors against such licensed bank, and all assets securing claims of such licensed bank shall be sold by the liquidator in a commercially reasonable manner.

Sale of assets in winding up

(2) The assets including collaterals, shall be deemed to have been sold in a commercially reasonable manner as referred to in subsection (1), when such assets are disposed of as follows: -

- (a) when securities, foreign currencies and other assets that can be readily sold are sold at market price in the markets where they are traded; and
- (b) when such assets are sold at public auction:

Provided however, if the liquidator determines that a reasonable price cannot be obtained for the assets in a public auction, the liquidator shall seek the approval of the court to sell the assets privately.

(3) The assets of a licensed bank subject to winding up other than the assets referred to in paragraph (a) of subsection (2), shall be placed at the disposal of the liquidator, promptly upon a request of the liquidator.

(4) Any dispute between the liquidator and a secured creditor as to the value of an asset securing a claim shall be resolved by the Central Bank, unless the asset is sold at market value as may be determined by an independent professional valuer possessing such qualifications and experience referred to in subsection (1) of section 16, or at public auction, as the case may be, in which event the sale price at market value or at public auction shall be conclusive as to the value of the asset.

Priority of
claims for the
distribution of
assets in winding
up

85. (1) The liquidator shall distribute the assets of a licensed bank subject to winding up in accordance with the priority of claims specified in subsection (2).

(2) The assets of a licensed bank subject to winding up shall be distributed in the following order of priority: -

- (a) all reasonable costs and expenses incurred by the liquidator on account of the administration of the insolvency;
- (b) unpaid premium due to the Deposit Insurance Fund;
- (c) insured deposits and claims of the Deposit Insurance Fund arising from subrogation of the rights of insured depositors under section 45 as a result of compensation or resolution financing provided under subsection (3) of section 51;
- (d) deposits over the insured limit determined by the Central Bank under section 44;
- (e) salaries and wages of officers and other employees of the licensed bank, as accrued to the date of the winding up order made under subsection (6) of section 67;

- (f) sums owed to the Government for the financing of resolution under this Act;
- (g) taxes, rates, and deposits owed to the Government and local authorities by the licensed bank which were due over a period of not more than one year preceding the date of the winding up order made under subsection (6) of section 67;
- (h) industrial court awards and any other statutory dues payable to, or on account of, any officer or other employee of the licensed bank;
- (i) liabilities of the licensed bank on account of resolution and any other liabilities due and owing to the Central Bank and the Deposit Insurance Fund;
- (j) claims of unsecured creditors other than depositors;
- (k) any other claim not paid under paragraphs (a) to (j) of this subsection.

86. (1) The payment of claims to depositors or other creditors of a licensed bank subject to winding up, shall be made only for amounts listed in a distribution schedule approved by the Central Bank.

Distribution
schedule of
payments in
winding up

(2) For the purpose of subsection (1), the liquidator shall prepare a distribution schedule of payments to be made to depositors and other creditors of the licensed bank subject to winding up, consisting of claims admitted under sections 80 and 81, and submit the same for approval of the Central Bank.

(3) Each distribution schedule of payments shall rank and combine the payments to be made on approved claims according to their priority of payment as specified in the provisions of section 85, only if-

- (a) all payments due on approved claims of a higher priority ranking than the claims to be included, have been made in full under an earlier distribution schedule of payments, or can be made in full under this distribution schedule of payments; and
- (b) sufficient funds have been reserved to pay in full of all claims that have a higher priority ranking than the claims to be included and that are not yet approved and to ensure equal treatment of the claims that have a priority ranking equal to the ranking of the claims to be included and that are not yet approved.

(4) If the funds available are insufficient to settle all claims of a certain priority ranking in full, the funds shall be distributed *prorata* among payments on those claims, and any funds shall not be allocated to payments on claims of a lower priority ranking unless such payment can be made in full on the first mentioned claims.

(5) Immediately after the approval by the Central Bank, of a distribution schedule of payments submitted under subsection (2), the liquidator shall publish once a week for three consecutive weeks, a notice, at least in three Sinhala, Tamil, and English daily newspapers circulating in Sri Lanka, containing information of the date when, and place where, the persons entitled to approved claims can receive the payments, or any such other manner in which the entitled persons can receive the payments listed in that distribution schedule.

(6) Any amount included in the distribution schedule which is not paid owing to the inability to identify or contact the relevant depositors and creditors shall be deposited in a special account maintained for that purpose in the Central Bank.

(7) Any funds deposited under subsection (6), which is not claimed by the owner within a period of ten years after the date of the final distribution to the depositors or creditors of the licensed bank under this section, shall be deemed to be abandoned property under the Banking Act.

(8) After all the disputed claims have been either approved or rejected by the court and all possible payments on approved claims have been made, and all amounts that could not be paid have been deposited under subsection (6), any remaining net proceeds of the winding up shall be –

- (a) distributed among all shareholders of the licensed bank subject to winding up *pro rata* to the nominal value of their respective share holdings, subject only to preferences among classes of shareholders;
- (b) paid to the Government where the licensed bank subject to winding up is a public corporation; or
- (c) paid to a head office of the licensed bank subject to winding up, incorporated outside Sri Lanka.

87. (1) The winding up proceedings may be commenced against a licensed bank incorporated or established outside Sri Lanka -

- (a) if such licensed bank wishes to close down its business in Sri Lanka with the prior written approval of the Central Bank, subject to such terms and conditions as the Central Bank may specify;
- (b) if any of the grounds listed in section 66 applies to such licensed bank as if it were a separate legal person; or

Winding up proceedings concerning a licensed bank incorporated or established outside Sri Lanka

- (c) on the petition by the Central Bank, if the winding up proceedings have commenced against the licensed bank in the country in which such licensed bank is incorporated or established or where such licensed bank principally carries on its business.

(2) The provisions of this Part of this Act relating to the winding up of a licensed bank shall apply to the winding up of a licensed bank incorporated or established outside Sri Lanka, as they apply to a licensed bank incorporated in Sri Lanka.

(3) All assets, liabilities, acts and omissions of the licensed bank subject to winding up incorporated or established outside Sri Lanka resulting from, or otherwise relating to, the business carried out by such licensed bank in Sri Lanka shall be attributed to that licensed bank when applying the provisions of this section.

(4) The liquidator shall be authorized to take all actions with respect to such licensed bank as could be taken, as if such licensed bank was a licensed bank incorporated in Sri Lanka.

(5) At the time when the order of the court to commence winding up proceedings against a licensed bank incorporated or established outside Sri Lanka is served, such licensed bank shall cease all its activities carried out in Sri Lanka, except for permissible activities carried out by it with the prior written approval of the liquidator.

(6) In the application of the provisions of this Part of this Act in winding up proceedings against a licensed bank incorporated or established outside Sri Lanka, only the provisions of section 83 shall apply to the setting off and netting of obligations resulting from, or otherwise relating to, the business of such licensed bank in Sri Lanka.

(7) The liquidator shall take all measures necessary to ensure that no assets owned by the licensed bank subject to winding up incorporated or established outside Sri Lanka, are removed from Sri Lanka until all obligations and liabilities incurred by such licensed bank, to which the undertaking given by such licensed bank to the Central Bank at the time of obtaining the licence to carry on banking business under the Banking Act, have been met in accordance with such undertaking.

88. (1) Upon completion of the winding up, the liquidator shall prepare and submit to the court for its approval, an audited statement of accounts and a report of winding up of the licensed bank, together with an opinion of an external auditor.

Termination of winding up proceedings and revocation of licence

(2) The audit referred to in subsection (1) shall be conducted by an external auditor appointed by the Central Bank in consultation with the Auditor- General.

(3) The external auditor shall be paid a remuneration out of the assets of the licensed bank.

(4) The external auditor's opinion referred to in subsection (1) shall state-

- (a) whether the statement of accounts of the liquidator is true and fair and has been properly drawn up;
- (b) whether the statement of accounts of the liquidator exhibits a true and correct statement of the dealings of the liquidator with the assets of the licensed bank;
- (c) where such external auditor has called for any explanation or information from the liquidator, whether the explanation or information provided by the liquidator is satisfactory; and

(d) whether the liquidator has acted in accordance with the directions given by the Central Bank.

(5) The court may approve the audited statement of accounts and the report of winding up and direct the liquidator to deposit the books and records of the licensed bank and other documents relating to the winding up in a place as the court may deem appropriate.

(6) Upon the receipt of the approval under subsection (5), the liquidator shall publish a notice of such approval for the information of the public at least in three Sinhala, Tamil, and English daily newspapers circulating in Sri Lanka.

(7) (a) Upon the publication of the notice of approval under subsection (6), if such notice relates to a company registered under the provisions of the Companies Act, the liquidator shall inform the Registrar-General of Companies to strike-off the name of the company from the register maintained by the Registrar-General of Companies under the provisions of the Companies Act.

(b) Thereupon, the Registrar-General of Companies shall strike off the name of such company from the register and publish a notice to that effect in at least three Sinhala, Tamil and English daily newspapers circulating in Sri Lanka.

(8) From the date of publication of a notice striking off the name of a company under subsection (7), the proceedings of winding up against the licensed bank shall terminate, and the company shall stand dissolved.

(9) The approval by the court of the audited statement of accounts and the report of winding up discharges and relieves the liquidator from any liability in connection with the winding up of the licensed bank.

(10) The dissolution of a company under subsection (8) shall not affect the liability under this Act or any other written law of any director, chief executive officer, other officer or owner of the company, and such liability shall continue and may be enforced as if the company had not been dissolved.

89. (1) Every person, being a director or an officer of a licensed bank subject to winding up, whether present or past, who-

Offences by directors or officers of the licensed bank

- (a) fails to disclose to the liquidator, to the best of his knowledge and belief, information relating to all the movable and immovable property of such licensed bank, including how, to whom and for what consideration such property or part thereof have been disposed of, except such property or part as has been disposed of in the ordinary course of the business of the licensed bank;
- (b) fails to deliver up to the liquidator, or as the liquidator directs –
 - (i) all the movable and immovable property of such licensed bank in the custody of such director or officer, or under the control of such director or officer; or
 - (ii) all the books, records, registers and documents belonging to such licensed bank, in the custody of such director or officer, or under the control of such director or officer;
- (c) within twelve months immediately preceding the commencement of the winding up of such licensed bank, or at any time thereafter –

- (i) has concealed any part of the property of the licensed bank to the value of rupees ten thousand or more, or has concealed any debt due to, or due from, such licensed bank;
- (ii) has fraudulently removed any part of the property of such licensed bank to the value of rupees ten thousand or more;
- (iii) has concealed, destroyed, mutilated or falsified, or has been privy to the concealment, destruction, mutilation or falsification of, any book, register, record or document affecting or relating to the property or affairs of such licensed bank;
- (iv) has made or has been privy to the making of any false entry in any book, register, record, or document affecting or relating to the property or affairs of such licensed bank;
- (v) has fraudulently parted with, altered, or made any omission in, or has been privy to fraudulent parting with, altering or making any omission in, any book, register, record or document affecting or relating to the property or affairs of such licensed bank;
- (vi) by any false representation or other fraud, has obtained any property for, or on behalf of, the licensed bank on credit which such licensed bank has not subsequently paid for;
- (vii) has obtained on credit, for or on behalf of such licensed bank, under the false pretense that the licensed bank is carrying on its business, any property which such licensed bank has not subsequently paid for; or

- (viii) has pawned, pledged or disposed of any property of such licensed bank which has been obtained on credit and has not been paid for, unless such pawning, pledging or disposing was in the ordinary course of the business of the licensed bank;
- (d) makes any material omission in any statement relating to the affairs of such licensed bank;
- (e) knowing or having reasons to believe that a false debt has been proved by any person, fails for a period of one month to inform the liquidator of such fact;
- (f) prevents the production of any book, register, record or document affecting or relating to the property or affairs of such licensed bank;
- (g) within twelve months immediately preceding the commencement of the winding up, or at any time thereafter, has attempted to account for any part of the property of such licensed bank by fictitious losses or expenses; or
- (h) within twelve months immediately preceding the commencement of the winding up or at any time thereafter, has been found to have made any false representation or committed or involved in the commission of any other fraudulent activity for the purpose of obtaining the consent of the creditors of the licensed bank or any one of them to an agreement with reference to the affairs of the licensed bank or to the winding up,

commits an offence under this Act.

(2) Where any person pawns, pledges or disposes of any property in circumstances which amount to an offence under subsection (1), every person who takes in pawns or pledge,

or otherwise receives the property knowing it to be pawned, pledged, or disposed of in those circumstances, commits an offence under this Act.

(3) Every director, officer, employee, or servant of any licensed bank subject to winding up who destroys, mutilates, alters, or falsifies any book, register, record, document or security, or makes or is privy to the making of any false or fraudulent entry in any book, register, record, document or account belonging to the licensed bank with intent to defraud or deceive any person, commits an offence under this Act.

Offences by
body corporates

90. Where a person convicted of an offence under this Act is a body corporate, every person who, at the time of the commission of the offence was a director, or an officer performing executive functions, or secretary of the body corporate, shall be deemed to be guilty of that offence, unless such director, officer or secretary proves to the satisfaction of the court that the offence was committed without his knowledge or such director, officer or secretary exercised all due diligence to prevent the commission of such offence.

Penalties

91. Every person who is found guilty of an offence by reason of the contravention of, or failure to comply with, any regulation, rule, order or direction or requirement made or issued under this Act, shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding five million rupees or to imprisonment of either description for a term not exceeding three years, or to both such fine and imprisonment.

Central Bank to
issue directions
on any aspects
of its resolution
authority

92. Without prejudice to any other provisions of this Act or any other written law, the Central Bank may issue directions to a licensed bank regarding the manner in which any aspect of resolution of such licensed bank shall be conducted.

93. In this Act, unless the context otherwise requires— Interpretation

"abandoned property" means the property as defined in Part IX of the Banking Act and dormant deposits as specified in section 23 of the Finance Business Act;

"Bank of Ceylon Ordinance" means the Bank of Ceylon Ordinance (Chapter 397);

"Banking Act" means the Banking Act, No. 30 of 1988;

"bridge bank" means an institution established by the Central Bank to take over and continue operations of certain critical functions and viable operations or to transfer shares, any one or more of the assets, liabilities, legal rights and obligations or other property instruments owned or issued by a licensed bank subject to resolution, which, in the opinion of the Central Bank, is having systemic importance or impact;

"Central Bank" means the Central Bank of Sri Lanka established by the Central Bank of Sri Lanka Act, No. 16 of 2023;

"close-out netting" means a contractual provision, including a provision in a collateral arrangement, or, in the absence of any such provision, any statutory rule, on the basis of which, upon the occurrence of a predefined event in relation to a party to the contract, the obligations owed by the parties to the contract to each other that are covered by the provision, whether or not they are at that time due and payable, are automatically or at the election of one of the parties to be immediately due, reduced to or replaced by a single net obligation, whether by way of novation,

termination, set-off or otherwise, representing the aggregate value of the combined obligations, which is thereupon due and payable by one party to the other;

"Companies Act" means the Companies Act, No. 07 of 2007;

"court" means the 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 any such High Court vested with such civil jurisdiction is not established for any Province, the High Court established for the Western Province;

"crisis times" means a period of time in which the financial system is unable to perform its key functions including intermediation of financial funds, management of risks, and settling of payments efficiently, and non-crisis times shall be construed accordingly;

"critical functions" means activities performed by a licensed bank for and on behalf of third parties other than the licensed bank, where the failure to perform any such activities would lead to a disruption of banking services which are essential for the functioning of the real economy or for ensuring financial system stability, due to the size or the market share of such licensed bank, external and internal interconnectedness, complexity or cross-border activities of such licensed bank;

"critical shared services" means activities performed by a licensed bank itself or outsourced to be performed by any third party service provider, where the failure

to perform any such activities would lead to an inability on the part of the licensed bank to perform critical functions and, thereby disrupting services which are essential for the functioning of the real economy or for ensuring financial system stability;

"extraordinary public financial support" means infusion of capital for a licensed bank having a systemic importance or impact, through funds other than the funds of the Central Bank;

"Finance Business Act" means the Finance Business Act, No. 42 of 2011;

"financial sector" means a subsector of the economy which comprises institutions that manage funds on behalf of customers, either corporate or retail, or provide financial intermediary services to transfer and allocate funds in an economy;

"Housing Development Finance Corporation Bank of Sri Lanka Act" means the Housing Development Finance Corporation Bank of Sri Lanka Act, No. 7 of 1997;

"insolvency" means a situation where the liabilities of a licensed bank are higher than the assets of such licensed bank as reflected in its balance sheet;

"insured deposits" means all eligible deposits, subject to the maximum compensation payable to a depositor under section 44;

"insured depositors" means holders of eligible deposits, subject to the maximum compensation payable to a depositor under section 44;

"international financial institutions" includes the Asian Development Bank, the International Bank for Reconstruction and Development, the International Development Association, the International Monetary Fund or similar institutions;

"key management personnel" means the employees of a licensed bank who are primarily responsible for the overall management and operation of such licensed bank, including the heads of the functions of credit, finance, treasury, operations, compliance, audit, risk management, company secretariat, information technology, information security and such other function as may be determined by the Central Bank, from time to time;

"licensed bank" means a commercial bank or a specialised bank licensed by the Monetary Board of the Central Bank under the Banking Act, and includes a branch of a foreign bank incorporated outside Sri Lanka;

"licensed exchange" means an exchange, licensed under the provisions of the Securities and Exchange Commission of Sri Lanka Act, No.19 of 2021;

"Minister" means the Minister assigned the subject of Finance in terms of Article 44 or 45 of the Constitution;

"Monetary Board" means the Monetary Board established by the Monetary Law Act (Chapter 422);

"National Savings Bank Act" means the National Savings Bank Act, No. 30 of 1971;

"netting" means determination of net claims or obligations after setting-off or adjusting all the claims or obligations based on or arising from mutual dealings between the parties to a contract;

"non-bank financial institutions" means finance companies licensed by the Monetary Board under the Finance Business Act;

"People's Bank Act" means the People's Bank Act, No. 29 of 1961;

"Pradeshia Sanwardhana Bank Act" means the Pradeshia Sanwardhana Bank Act, No. 41 of 2008;

"recovery plan" means a plan which provides for measures to be taken by a licensed bank in the event of a deterioration of its financial position prior to the Central Bank taking resolution action on such licensed bank;

"Registrar-General of Companies" means the Registrar-General of Companies or other officer performing the duty of registration of companies under the Companies Act;

"resolution" means, restructuring of a licensed bank by the Central Bank through the exercise of resolution powers of the Central Bank in order to safeguard the public interest, including the continuity of the critical functions of such licensed bank, securing financial stability and ensuring minimal costs to taxpayers;

"resolution plan" means a plan designed by the Central Bank for each licensed bank having systemic importance or impact, in accordance with the international standards and best practices available for resolution of banks;

"State Mortgage and Investment Bank Law" means the State Mortgage and Investment Bank Law, No. 13 of 1975;

"subordinated debt holder" means a holder of debt having a claim against the issuer's assets which are of lower ranking, or junior to all other obligations of a licensed bank and is paid after claims of holders of senior securities are paid;

"temporary financial assistance" means the financial assistance to contribute to the funding of the resolution of a licensed bank, or to a bridge bank by the Government for a temporary period;

"wind-down" means gradually reducing or closing down of business; and

"write-down" means reducing the value of an asset to offset a loss or an expense.

Protection from
action

94. The officers of the Central Bank and the Administrator appointed under section 18, shall not be liable for any damage, or act or omission done pursuant to and in the course of the exercise, performance and discharge of the powers, duties and functions under this Act, unless it has been proved that such damage, act or omission has been done without good faith or has constituted intentional wrongful misconduct or willful default.

Provisions for
appeals

95. (1) Subject to the provisions of subsections (2) and (3), any person aggrieved by a decision of the Central Bank including the decision under subsection (1) of section 13, any regulation, order, rule, direction, or any determination issued, request made or requirement imposed by the Central Bank under this Act, or who apprehends that he would be affected by any such decision, regulation, order, rule, direction, determination, request or requirement imposed or proposed to be taken, as the case may be, shall not 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 Central Bank from giving effect to such order.

(2) (a) The jurisdiction conferred on the Court of Appeal by Article 140 of the Constitution shall, in relation to a decision, regulation, order, rule, direction, determination, request or requirement 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) No application under paragraph (b) of subsection (2) shall be made without giving seven days' prior notice to the Central Bank of such application.

96. (1) In the event of any inconsistency between the provisions of this Act and any other written law for the time being in force, the provisions of this Act shall prevail.

This Act to
prevail over
other written
laws

(2) Nothing contained in the provisions of the Bank of Ceylon Ordinance, the People's Bank Act, the National Savings Bank Act, the State Mortgage and Investment Bank Act, the Housing Development Finance Corporation Bank of Sri Lanka Act, the Pradeshiya Sanwardhana Bank Act or any other Statute under which a state-owned commercial bank or a specialised bank will be established, shall be construed as a waiver or restriction of the resolution authority of the Central Bank under this Act.

Savings

97. (1) The Sri Lanka Deposit Insurance and Liquidity Support Scheme established by the Monetary Board by virtue of the regulations issued under the Monetary Law Act and subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be the Deposit Insurance Scheme of the Central Bank under this Act.

(2) The Sri Lanka Deposit Insurance and Liquidity Support Fund established by the Monetary Board by virtue of the regulations issued under the Monetary Law Act and subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be the Deposit Insurance Fund of the Central Bank under this Act.

(3) The amount lying to the credit of the Sri Lanka Deposit Insurance and Liquidity Support Fund established by the Monetary Board by virtue of the regulations issued under the Monetary Law Act and subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be the amount lying to the credit of the Deposit Insurance Fund under this Act.

(4) All rights, obligations, assets, properties, liabilities, powers, privileges and authorities attributed to the Sri Lanka Deposit Insurance and Liquidity Support Scheme established by the Monetary Board by virtue of the regulations issued under the Monetary Law Act, and interests arising in or out of such rights, assets, properties and such liabilities of the said Scheme and subsisting on the day immediately preceding the appointed date, shall, with effect from the appointed date, be deemed to be rights, obligations, assets, properties, liabilities, powers, privileges, authorities and interests of the Deposit Insurance Scheme under this Act.

- (5) (a) all premia or additional premia collected from member institutions;
- (b) all penalties imposed on member institutions;
- (c) all payments of compensation paid and to be paid to depositors of member institutions whose licences have been cancelled by the Monetary Board;
- (d) all the secured loans or advances granted to any member institutions and any recovery thereof, and all collaterals pledged against such loans or advances, as the case may be;
- (e) all the investments made and any return received thereon;
- (f) all or any books, accounts and records relating or appertaining to, any other property maintained; and
- (g) all or part of the taxes, duties, levies or any other charges of similar nature paid,

by the Sri Lanka Deposit Insurance and Liquidity Support Scheme established by the Monetary Board by virtue of the regulations issued under the Monetary Law Act, subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be premia or additional premia collected, penalties imposed, payment of compensation paid or to be paid, secured loans or advances granted, and collaterals pledged, investments made and returns received, books, accounts and records maintained, and taxes, duties, levies or charges paid by the Deposit Insurance Scheme under this Act.

(6) With effect from the appointed date, every reference to the Sri Lanka Deposit Insurance and Liquidity Support Scheme established by the Monetary Board under the Monetary Law Act in any regulation, notification, contract, instrument, record, share certificate, document, deed, bond, agreement, guarantee, power of attorney, grant of legal representation and other instruments of whatever nature shall be deemed to be a reference to the Sri Lanka Deposit Insurance Scheme under this Act to give effect to the provisions thereof.

(7) Any agreement, memorandum of understanding or contract entered into by the Monetary Board with any other regulatory, supervisory or state authority, whether in or outside Sri Lanka, in respect of the exercise of resolution authority and cross-border cooperation and subsisting on the day immediately preceding the appointed date shall, with effect from the appointed date, be deemed to be an agreement, memorandum of understanding or contract entered into by the Central Bank under this Act.

(8) Notwithstanding the operation of this Act, any resolution measure or early intervention measure taken by the Monetary Board or any other officer of the Central Bank authorized in that behalf by the Monetary Board under the Monetary Law Act, the Banking Act or the Finance Business Act, as the case may be, and continuing on the day immediately preceding the appointed date shall be deemed to be a resolution measure or an early intervention measure taken under this Act and shall be continued under the said Acts for such period as the Monetary Board may determine.

Sinhala text to
prevail in case
of inconsistency

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

Banking (Special Provisions) 107
Act, No. 17 of 2023

SCHEDULE

[section 6]

1. Banking Act, No. 30 of 1988.
2. Finance Business Act, No. 42 of 2011.
3. Companies Act, No. 07 of 2007.
4. Securities and Exchange Commission of Sri Lanka
Act, No. 19 of 2021.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CHARTERED INSTITUTE OF TRANSPORT OF SRI LANKA
(INCORPORATION) (AMENDMENT)
ACT, No. 18 OF 2023**

[Certified on 19th of September, 2023]

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Chartered Institute of Transport of Sri Lanka
(Incorporation) (Amendment)
Act, No. 18 of 2023

[Certified on 19th of September, 2023]

L.D.—O. (Inc.) 4/2019

AN ACT TO AMEND THE CHARTERED INSTITUTE OF TRANSPORT OF
SRI LANKA (INCORPORATION) ACT, NO. 8 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 Chartered Institute of Transport of Sri Lanka (Incorporation) (Amendment) Act, No. 18 of 2023.

Short title
- 2.** The long title to the Chartered Institute of Transport of Sri Lanka (Incorporation) Act, No. 8 of 2000, (hereinafter referred to as the “principal enactment”) is hereby amended by the substitution, for the words “Chartered Institute of Transport of Sri Lanka.” of the words “Chartered Institute of Logistics and Transport of Sri Lanka.”.

Amendment of long title to the Act, No. 8 of 2000
- 3.** (1) In the principal enactment and in any other written law there shall be substituted for the words “Chartered Institute of Transport of Sri Lanka” wherever such words appear in the principal enactment and such other written law of the words “Chartered Institute of Logistics and Transport of Sri Lanka”.

General amendment to the principal enactment and other written law

(2) Every reference to the “Chartered Institute of Transport of Sri Lanka” in any notice, notification, contract, communication or other document shall be read and construed as a reference to the “Chartered Institute of Logistics and Transport of Sri Lanka”.
- 4.** For the avoidance of doubts it is hereby declared that the “Chartered Institute of Logistics and Transport of Sri Lanka” shall for all purposes be deemed to be the successor to the “Chartered Institute of Transport of Sri Lanka”.

Avoidance of doubts

2 *Chartered Institute of Transport of Sri Lanka
(Incorporation) (Amendment)
Act, No. 18 of 2023*

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.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

AYURVEDA (AMENDMENT) ACT, No. 19 OF 2023

[Certified on 09th of October, 2023]

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This Act can be downloaded from www.documents.gov.lk



Ayurveda (Amendment) Act, No. 19 of 2023

[Certified on 09th of October, 2023]

L.D.-O. 39/2022

AN ACT TO AMEND THE AYURVEDA ACT, No. 31 OF 1961

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

1. This Act may be cited as the Ayurveda (Amendment) Act, No. 19 of 2023. Short title

2. The long title of the Ayurveda Act, No. 31 of 1961 (hereinafter referred to as the “principal enactment”) is hereby amended by the substitution for the words commencing from “FOR THE REGISTRATION OF AYURVEDA HOSPITALS” to the words “DISPENSARIES ATTACHED THERETO;” of the following: - Amendment of the Long Title to Act, No. 31 of 1961

“FOR THE REGISTRATION OF AYURVEDA HOSPITALS, AYURVEDA PHARMACIES, AYURVEDA DISPENSARIES, AYURVEDA STORES, HERBAL CULTIVATIONS AND HERBAL GARDENS FOR RESEARCH AND EXTENTION; FOR THE ESTABLISHMENT OF AN AYURVEDA MEDICAL COUNCIL TO REGISTER AYURVEDA PRACTITIONERS, AYURVEDA PHARMACISTS, AYURVEDA NURSES AND AYURVEDA MASSAGE THERAPISTS AND TO DEAL WITH MATTERS RELATING TO THEIR PROFESSIONAL CONDUCT; FOR THE ESTABLISHMENT OF AN AYURVEDA EDUCATION AND HOSPITAL BOARD TO DISCHARGE CERTAIN FUNCTIONS IN RELATION TO THE AWARD OF DIPLOMAS, CERTIFICATES, DEGREES AND POSTGRATUATE DEGREES IN RELATION TO THE EDUCATION AND TRAINING IN AYURVEDA AND TO DEAL WITH MATTERS RELATING TO THE AYURVEDA NATIONAL HOSPITAL, AYURVEDA TEACHING HOSPITALS, AYURVEDA RESEARCH HOSPITALS AND THE PHARMACIES, HERBARIA AND DISPENSARIES ATTACHED THERETO;”.

General
Amendments

3. (1) In the principal enactment and in any other written law, there shall be substituted for the words the “Commissioner for Ayurveda”, “Ayurvedic Medical Council”, “ayurvedic hospitals”, “ayurvedic pharmacy”, “ayurvedic pharmacies”, “ayurvedic dispensary”, “ayurvedic dispensaries”, “ayurvedic store”, “ayurvedic stores”, “ayurvedic practitioners”, “ayurvedic pharmacists”, “ayurvedic nurses”, “the Central Hospital of Ayurveda” and the “Ayurvedic Research Committee”, of the words “Commissioner-General for Ayurveda”, “Ayurveda Medical Council”, “Ayurveda hospitals”, “Ayurveda pharmacy”, “Ayurveda pharmacies”, “Ayurveda dispensary”, “Ayurveda dispensaries”, “Ayurveda store”, “Ayurveda stores”, “Ayurveda practitioners”, “Ayurveda pharmacists”, “Ayurveda nurses”, “the Ayurveda National Hospital” and the “Ayurveda Research Committee”, respectively.

(2) Every reference to the “Commissioner for Ayurveda”, “Ayurvedic Medical Council”, “ayurvedic hospitals”, “ayurvedic pharmacy”, “ayurvedic pharmacies”, “ayurvedic dispensary”, “ayurvedic dispensaries”, “ayurvedic store”, “ayurvedic stores”, “ayurvedic practitioners”, “ayurvedic pharmacists”, “ayurvedic nurses”, “the Central Hospital of Ayurveda” and the “Ayurvedic Research Committee”, appearing in any notice, notification or other document shall be read and construed as a reference to the “Commissioner-General for Ayurveda”, “Ayurveda Medical Council”, “Ayurveda hospitals”, “Ayurveda pharmacy”, “Ayurveda pharmacies”, “Ayurveda dispensary”, “Ayurveda dispensaries”, “Ayurveda store”, “Ayurveda stores”, “Ayurveda practitioners”, “Ayurveda pharmacists”, “Ayurveda nurses”, “the Ayurveda National Hospital” and the “Ayurveda Research Committee”, respectively.

(3) Every reference to the “Commissioner” in sections 3, 4, 6, 8, 9, 10, 11, 13, 15, 22, 23, 24, 26, 33, 34, 35, 37, and 75 in the principal enactment shall be read and construed as a reference to “the Commissioner-General of Ayurveda”.

(4) Every reference to the “Council” in sections 11 to 21, 42, 50 to 63, 71 and 81 in the principal enactment shall be read and construed as a reference to “the Ayurveda Medical Council”.

4. Section 3 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words, “Deputy Commissioners for Ayurveda,” of the words “Additional Commissioner-Generals for Ayurveda, Commissioners for Ayurveda, Deputy Commissioners for Ayurveda,”.

Amendment of section 3 of the principal enactment

5. Section 4 of the principal enactment is hereby amended by the substitution for the words, “Deputy Commissioners for Ayurveda,” of the words “Additional Commissioner-Generals for Ayurveda, Commissioners for Ayurveda, Deputy Commissioners for Ayurveda,”.

Amendment of section 4 of the principal enactment

6. Section 5 of the principal enactment is hereby amended by the substitution for the words, “Deputy Commissioners for Ayurveda,” of the words “Additional Commissioner-Generals for Ayurveda, Commissioners for Ayurveda, Deputy Commissioners for Ayurveda,”.

Amendment of section 5 of the principal enactment

7. Section 7 of the principal enactment is hereby repealed and the following section is substituted therefor:-

Replacement of section 7 of the principal enactment

“Objects of the Act 7. The objects of the Act shall be -

(a) the provision of-

(i) establishments and services necessary for the treatment of diseases; and

(ii) the primary health care,

according to ayurveda;

- (b) the encouragement of the study of, and research in, ayurveda by the grant of scholarships and other facilities to persons employed or proposed to be employed in the Department and by the grant of financial aid and other assistance to institutions providing courses of study or engaged in research in ayurveda;
- (c) the taking, development or encouragement of measures for the investigation of diseases, and for the improvement of public health, according to ayurveda;
- (d) the management of any herbarium established under section 8;
- (e) the provision for the wellbeing of people by creating and maintaining orderly and efficient practices of Ayurveda medicine and surgery;
- (f) the assurance of high professional standards by regulating performance and activities of registered Ayurveda professionals; and
- (g) the provision of quality Ayurveda articles, substances, and drugs and the management of any Herbal Gardens for Research and Extension or herbal cultivation by implementing provisions of the Code referred to in section 77, by the Department or through any Body established under Part VI of the Act for that purpose.”.

8. The following new section is hereby inserted immediately after section 7 of the principal enactment and shall have effect as section 7A:-

Insertion of new section 7A in the principal enactment

“Utilization of moneys granted from the Consolidated Fund and crediting of moneys to the Consolidated Fund”

7A. (1) The moneys granted from the Consolidated Fund from time to time shall be utilized in carrying out the objects of the Act.

(2) All such sums of money as may be received, levied, or collected under this Act by way of fees or otherwise in carrying out the objects specified in the Act and in the discharge of the functions of the Department shall be credited to the Consolidated Fund.”

9. Section 8 of the principal enactment is hereby amended as follows:-

Amendment of section 8 of the principal enactment

- (1) by the substitution for the words, “In carrying out the objects specified in section 7, the Commissioner” of the words, “The Commissioner-General shall have the power to carry out the objects specified in paragraphs (a) to (e) of section 7 and in doing so the Commissioner-General”; and
- (2) by the substitution for the words, “Ayurvedic hospitals” of the words “Ayurveda hospitals, Herbal Gardens for Research and Extension Services”.

10. 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, “ayurvedic hospitals”, wherever those words appear, of the words “Ayurveda hospitals, herbal cultivation”;
- (2) by the substitution for the words, “ayurvedic hospitals” wherever those words appear, of the words “Ayurveda hospitals, herbal cultivation”;

- (3) by the substitution for the words, “hospitals” wherever those words appear, of the words “hospitals, herbal cultivation”.

Amendment of
section 11 of the
principal enactment

11. Section 11 of the principal enactment is hereby amended in subsection (1) thereof, as follows: -

- (1) by the repeal of paragraph (b) thereof, and the substitution therefor, of the following new paragraph:-

“(b) the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka and the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka;”;

- (2) by the repeal of paragraph (c) thereof, and the substitution therefor, of the following new paragraph:-

“(c) five members-

- (i) two of them each representing Ayurveda and Unani systems of medicine of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka and elected from among the Senior Lecturers;

- (ii) one of them elected from among the Senior Lecturers of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka;
 - (iii) one of them elected from among the Senior Lecturers of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka ; and
 - (iv) one of them elected from among the Senior Lecturers of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka.”;
- (3) by the repeal of paragraph (f) thereof, and the substitution therefor, of the following new paragraph:-
- “(f) not more than twelve members appointed by the Minister of whom-
- (i) three shall be so appointed from among persons who are not registered Ayurveda practitioners;
 - (ii) three shall be so appointed from a panel of ten nominated by the All Ceylon Ayurvedic Practitioners’ Congress; and
 - (iii) two shall be so appointed from among registered Ayurveda practitioners who are not members of the All Ceylon Ayurvedic Practitioners’ Congress; and”;
- and

(4) by the addition, immediately after paragraph (f), the following new paragraph:-

“(g) one member shall be so appointed as nominated by the Secretary to the Ministry of the Minister assigned the subject of Finance or Treasury, as the case may be .”.

Amendment of section 12 of the principal enactment

12. Section 12 of the principal enactment is hereby amended by the substitution for the words, commencing from “Each member of the Council” to “or reappointment:” of the following:-

“Each member of the Council, other than the Commissioner-General, the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka and the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, shall, unless he vacates office earlier, hold office for a term of three years and shall be eligible for re-election or reappointment, as the case may be:”.

Replacement of section 13 of the principal enactment

13. Section 13 of the principal enactment is hereby repealed and the following section is substituted therefor: -

“Vacation of office by members of the Council

13. (1) A member of the Council, other than the Commissioner-General, the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean

of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka and the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, shall be deemed to have vacated office—

- (a) where he is not a public officer, on sending his resignation in writing to the President of the Council;
- (b) where he is not a public officer, on being absent without excuse sufficient in the opinion of the Council, from three consecutive meetings of the Council;
- (c) on his ceasing to be a registered Ayurveda practitioner, or on the taking effect of an order made by the Council under this Act suspending his registration as an Ayurveda practitioner; or
- (d) on his being convicted of any offence under the Penal Code (Chapter 19).

(2) The Commissioner-General shall be deemed to have vacated office as a member of the Council on his ceasing to hold office as the Commissioner-General.

(3) The Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka or the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, as the case may be, shall be deemed to have vacated office as a member of the Council on him ceasing to hold office as the Dean or the Head of any of the aforesaid respective Institutions as the case may be.”.

Amendment of section 16 of the principal enactment

14. Section 16 of the principal enactment is hereby amended, by the substitution for the words, “shall be six.”, of the words “shall be thirteen.”.

Amendment of section 18 of the principal enactment

15. Section 18 of the principal enactment is hereby amended as follows:-

(1) by the insertion immediately after paragraph (d) thereof, the following new paragraph:-

“(da) the registration of persons as Ayurveda massage therapists;”;

(2) in paragraph (e) thereof, by the substitution for the words, “registration; and” of the words, “registration;”;

(3) in paragraph (f) thereof, in subparagraph (i), by the substitution for the words “and ayurvedic nurses; and” of the words “and Ayurveda nurses, and Ayurveda massage therapist; and”.

16. Section 22 of the principal enactment is hereby amended in subsection (1) thereof, as follows:-

Amendment of
section 22 of the
principal enactment

- (1) by the insertion, immediately after paragraph (a), the following new paragraph:-

“(aa) a representative of the Secretary to the Ministry of Finance or the Secretary to the Treasury;”;

- (2) by the repeal of paragraph (b) thereof, and the substitution therefor, of the following new paragraph:-

“(b) the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka and the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka;”;

- (3) by the insertion, immediately after paragraph (b) thereof, the following new paragraph:-

“(ba) the Head of the National Institute of Traditional Medicine;”;

- (4) by the repeal of paragraph (c) thereof, and the substitution therefor, of the following new paragraph:-

“(c) the Head of the Ayurveda National Hospital;”;

- (5) by the repeal of paragraph (d) thereof, and the substitution therefor, of the following new paragraph:-

“(d) an officer of the rank of a Senior Assistant Secretary or of a higher rank of the Ministry of the Minister assigned the subject of Higher Education appointed by the Minister on recommendation of the Minister assigned the subject of Higher Education;”;

(6) by the repeal of paragraph (e) thereof, and the substitution therefor, of the following new paragraph:-

“(e) five members appointed by the Minister on the recommendation of the Minister assigned the subject of Higher Education-

(i) two of them each representing Ayurveda and Unani systems of medicine of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka;

(ii) one of them from the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka;

(iii) one of them from the Unit of Siddha Medicine of University of Jaffna, Sri Lanka; and

(iv) one of them from the Faculty of Siddha Medicine of the Eastern University, Sri Lanka,

from among the lecturers of each Faculty or Unit;”

(7) by the repeal of paragraph (f) thereof, and the substitution therefor, of the following new paragraph:-

“(f) five members, other than the members appointed under paragraph (e)-

- (i) two of them each representing Ayurveda and Unani systems of medicine of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka;
- (ii) one of them from the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka;
- (iii) one of them from the Unit of Siddha Medicine of University of Jaffna, Sri Lanka; and
- (iv) one of them from the Faculty of Siddha Medicine of the Eastern University, Sri Lanka,

and elected by the lecturers of each Faculty or the Unit from among themselves;”;

- (8) by the repeal of paragraph (i), thereof and the substitution therefor, of the following new paragraph:-

“(i) not more than eight members appointed by the Minister from among registered Ayurveda practitioners of whom not more than two shall be so appointed from a panel of six nominated by the All Ceylon Ayurvedic Practitioners’ Congress; and”.

17. Section 23 of the principal enactment is hereby amended by the substitution for the words from “Each member of the Board” to “or reappointment:” of the following: -

Amendment of section 23 of the principal enactment

“Each member of the Board, other than the Commissioner-General, the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Faculty of Siddha Medicine of the University of Jaffna, Sri Lanka, the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, the Head of the Ayurveda National Hospital and the Head of the National Institute of Traditional Medicine, shall, unless such member vacates his office earlier, hold office for a term of three years and shall be eligible for re-election or reappointment, as the case may be:”.

Amendment of section 24 of the principal enactment

18. Section 24 of the principal enactment is hereby amended as follows:-

- (1) in subsection (1) thereof, by the substitution for the words from “A member of the Board” to “Hospital of Ayurveda”, of the words, “A member of the Board, other than the Commissioner-General, the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of University of Jaffna, Sri Lanka, the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, the Head of the Ayurveda National Hospital and the Head of the National Institute of Traditional Medicine,”;
- (2) by the repeal of subsection (3) thereof, and the substitution therefor of the following:-

“(3) The Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous

Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka or the Dean of the Faculty of Siddha Medicine of the Eastern University, Sri Lanka, shall be deemed to have vacated office as a member of the Board on his ceasing to hold the office of the Dean of the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Dean of the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Head of the Unit of Siddha Medicine of University of Jaffna, Sri Lanka or the Dean of the Faculty of Siddha Medicine of Eastern University, Sri Lanka, as the case may be.”;

- (3) by the repeal of subsection (4) thereof, and the substitution therefor, of the following:-

“(4) The Head of the Ayurveda National Hospital shall be deemed to have vacated office as a member of the Board on his ceasing to hold the office of the Head of the Ayurveda National Hospital.” .

19. Section 27 of the principal enactment is hereby amended, by the substitution for the words, “shall be six.”, of the words “shall be fourteen.”.

Amendment of section 27 of the principal enactment

20. Section 30 of the principal enactment is hereby amended as follows:-

Amendment of section 30 of the principal enactment

- (1) by the repeal of paragraph (a), thereof, and the substitution therefor, of the following new paragraph: -

“(a) to determine-

- (i) the qualifications required for the award of postgraduate degrees, basic degrees, diplomas, and certificates under this Act;
 - (ii) the standards of the courses conferring basic degrees, diplomas and certificates, conducted by local or foreign universities or degree-awarding institutions, to be considered for registration under the Act;
 - (iii) and to hold examinations for the holders of basic degrees, diplomas and certificates conferred by local or foreign universities or degree-awarding institutions, to be considered for registration under the Act;
 - (iv) the standards and period of internship or training required by holders of basic degrees, diplomas and certificates conferred by local or foreign universities or degree awarding institutions, to be considered for registration under the Act;”;
- (2) in paragraph (b) thereof, by the substitution for the words “enable persons to obtain” of the words “enable persons to obtain postgraduate degrees or basic degrees or”;
 - (3) in paragraph (c) thereof, by the substitution for the words “enable persons to obtain” of the words “enable persons to obtain postgraduate degrees or basic degrees or”;
 - (4) by the insertion, immediately after paragraph (c) thereof, of the following new paragraph:-

“(ca) to make recommendations to the Minister in respect of any fees to be prescribed, where necessary, for the award of postgraduate degrees, basic degrees, diplomas, and certificates under this Act;”.

21. Section 33 of the principal enactment is hereby amended by the repeal of subsection (1) thereof, and the substitution therefor of the following:-

Amendment of
section 33 of
the principal
enactment

“(1) There shall be a Committee which shall be called the Ayurveda Research Committee, (hereinafter in this Part referred to as “the Committee”) which shall consist of fourteen members, namely-

- (a) the Commissioner-General;
- (b) the Head of the Ayurveda National Hospital;
- (c) the Head of the Bandaranayake Memorial Ayurveda Research Institute;
- (d) four Professors of traditional medicine, each representing the University of Colombo, Sri Lanka, the Gampaha Wickramarachchi University of Indigenous Medicine, the University of Jaffna, and the Faculty of Siddha Medicine of Eastern University, Sri Lanka;
- (e) one member duly appointed by the National Science Foundation established under the Science and Technology Development Act, No. 11 of 1994;
- (f) one member duly appointed by the National Intellectual Property Office of Sri Lanka established under the Intellectual Property Act, No. 36 of 2003;

- (g) one member nominated by the Secretary to the Ministry of the Minister assigned the subject of Science;
- (h) one member appointed by the Minister from among persons who possess ten or more years of experience in the field of law;
- (i) two members appointed by the Minister, from among the Ayurveda Practitioners registered in the special register; and
- (j) one member not below the rank of Senior Assistant Secretary appointed by the Secretary to the Ministry of the Minister to whom the subject of Finance is assigned.”.

Amendment of section 38 of the principal enactment

22. Section 38 of the principal enactment is hereby amended, by the substitution for the words, “shall be three.”, of the words “shall be five.”.

Amendment of section 41 of the principal enactment

23. Section 41 of the principal enactment is hereby amended as follows:-

- (1) in paragraph (c) of subsection (1) thereof, by the substitution for the words “ayurvedic clinical treatment” of the words “ayurveda clinical treatment and Ayurveda Primary Health Care”;
- (2) in subsection (2) thereof, by the insertion immediately after paragraph (d), the following new paragraph: -
 - “(da) the charging of any prescribed fees in respect of any matters referred to in paragraphs (a) to (d);”;
- (3) by the addition, immediately after subsection (2) thereof, of the following new subsection:-

“(3) Formulating one or more sub-committees to carry out duties and responsibilities specified in sub sections (1) and (2).”.

24. Section 51 of the principal enactment is hereby amended in subsection (1) thereof, by the addition, immediately after paragraph (c), of the following new paragraph:-

Amendment of section 51 of the principal enactment

“(d) a register for the registration of Ayurveda massage therapists.”.

25. Section 53 of the principal enactment is hereby amended by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” wherever they appear in that section, of the words “Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist”.

Amendment of section 53 of the principal enactment

26. Section 54 of the principal enactment is hereby amended by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” wherever they appear in that section, of the words “Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist”.

Amendment of section 54 of the principal enactment

27. Section 55 of the principal enactment is hereby amended in paragraph (c) of subsection (1) thereof, by the substitution for the words “The institute of Ayurveda of the University of Ceylon; or” of the words “the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka, the Faculty of Indigenous Medicine of the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka, the Unit of Siddha Medicine of the University of Jaffna, Sri Lanka, the Faculty of Siddha Medicine of the Eastern University, Sri Lanka; or”.

Amendment of section 55 of the principal enactment

28. Section 56 of the principal enactment is hereby repealed and the following section is substituted therefor: -

Replacement of section 56 of the principal enactment

“Qualifications for registration as Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist

56. No person shall be entitled to be registered as an Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist unless such person-

(a) is a citizen of Sri Lanka; and

(b) satisfies the Council that such person possesses sufficient knowledge, experience and skill in the science of manufacturing Ayurveda medicines efficiently or sufficient experience in Ayurveda nursing or professional skill as an Ayurveda massage therapist, as the case may be.”.

Amendment of section 57 of the principal enactment

29. Section 57 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) thereof-

(a) in paragraph (a), by the substitution for the words “pharmacist, ayurvedic nurse” of the words “pharmacist, Ayurveda nurse, Ayurveda massage therapist,”;

(b) in paragraph (b), by the substitution for the words “pharmacist, ayurvedic nurse” of the words “pharmacist, Ayurveda nurse, Ayurveda massage therapist,”;

(c) in paragraph (c), by the substitution for the words “any diploma or certificate” of the words “any postgraduate degree or basic degree or diploma or certificate”;

- (2) in subsection (2) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” wherever those words appear in that subsection, of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist”; .

30. Section 58 of the principal enactment is hereby amended by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” wherever they appear in that section, of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapists,”.

Amendment of section 58 of the principal enactment

31. Section 59 of the principal enactment is hereby amended as follows:-

- (1) in subsection (1) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” and the words “register of ayurvedic nurses,” wherever those words appear, of the words “Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist” and the words “register of Ayurveda nurses, the register of Ayurveda massage therapists,” respectively;
- (2) in subsection (2) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” and the words “register of ayurvedic nurses,” wherever those words appear, of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist” and the words “register of Ayurveda nurses, the register of Ayurveda massage therapists,” respectively; and

Amendment of section 59 of the principal enactment

- (3) in subsection (3) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” and the words “register of ayurvedic nurses,” of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist” and the words “register of Ayurveda nurses, the register of Ayurveda massage therapists,” respectively.

Replacement of section 60 of the principal enactment

32. Section 60 of the principal enactment is hereby repealed and the following section is substituted therefor:-

“Fees to be charged for the purposes of section 18, in the exercise of powers under section 30 and in carrying out duties under section 41

60.(1) The fee for registration as an Ayurvedic practitioner, Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist, shall be such sum as may be prescribed by rules made by the Council under this Act.

(2) The Registrar shall not register the name of any person in the register of Ayurveda practitioners, the register of Ayurveda pharmacists, register of Ayurveda nurses, the register of Ayurveda massage therapists, until the fee for registration as an Ayurveda practitioner, Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist, as the case may be, is paid by that person.

(3) The fees chargeable by the Ayurveda Education and Hospital Board in the exercise, discharge and performance of its powers, functions, and duties under section 30 of this Act, shall be as prescribed by regulations.

(4) The fees chargeable by the Ayurveda Research Committee for the performance of its duties under section 41 of the Act, shall be as prescribed by regulation.”.

33. Section 61 of the principal enactment is hereby amended by the substitution for the words “Ayurvedic pharmacist or ayurvedic nurse” of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist”;

Amendment of section 61 of the principal enactment

34. Section 62 of the principal enactment is hereby amended by the substitution for the words “register of Ayurvedic nurses,” and the words “ayurvedic pharmacist or Ayurvedic nurse” of the words “register of Ayurveda nurses, the register of Ayurveda massage therapists,” and the words, “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist” respectively.

Amendment of section 62 of the principal enactment

35. Section 63 of the principal enactment is hereby amended as follows: -

Amendment of section 63 of the principal enactment

(1) in subsection (1) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist”;

(2) in subsection (3) thereof, by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” and the words “register of ayurvedic nurses,” of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist” and the words, “register of Ayurveda nurses, the register of Ayurveda massage therapists,” respectively.

36. Section 66 of the principal enactment is hereby repealed and the following section is substituted therefor: -

Replacement of section 66 of the principal enactment

“Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist to be treated as duly qualified

66. For the purposes of any written law, a registered Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist shall be deemed to be a legally or duly qualified Ayurveda pharmacist, Ayurveda nurse or Ayurveda massage therapist, respectively.”.

Amendment of section 69 of the principal enactment

37. Section 69 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “special register of ayurvedic practitioners,” of the words “in the Special register of Ayurveda practitioners.”.

Replacement of section 70 of the principal enactment

38. Section 70 of the principal enactment is hereby repealed and the following section is substituted therefor: -

“Registered Ayurveda pharmacist, registered Ayurveda nurse or registered Ayurveda massage therapist entitled to manufacture or practice

70. (1) Every registered Ayurveda pharmacist shall be entitled to manufacture Ayurveda medicines.

(2) Every registered Ayurveda nurse shall be entitled to practise ayurveda nursing.

(3) Every registered Ayurveda massage therapist shall be entitled to practise Ayurveda massage techniques.”.

Amendment of section 71 of the principal enactment

39. Section 71 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) thereof, by the substitution for the words “registered ayurvedic nurse,” wherever those words appear in that subsection, of the words “registered Ayurveda nurse or registered Ayurveda massage therapist,”;

(2) by the repeal of subsection (2) thereof, and the substitution therefor, of the following subsection: -

“(2) A person who is registered under section 10 as the proprietor of a registered Ayurveda hospital, herbal cultivation, Ayurveda pharmacy, herbarium, Ayurveda sale centre or Ayurveda store may, notwithstanding that he is not a registered

Ayurveda pharmacist, use, for the purposes of the business of such Ayurveda hospital, herbal cultivation, pharmacy herbarium, Ayurveda sale centre or stores, any name, title, addition, or description which may be used by a registered Ayurveda pharmacist, if-

- (a) he employs a registered Ayurveda pharmacist to personally superintend and manage the cultivation, distribution, sale or manufacturing of medicines, drugs or poisons at such Ayurveda hospital, herbal cultivation, pharmacy, herbarium, Ayurveda sale centre or Ayurveda store, as the case may be; and
- (b) the name of the pharmacist so employed has been notified in writing to the Council.”.

40. Section 72 of the principal enactment is hereby amended by the substitution for the words “ayurvedic pharmacist or ayurvedic nurse” wherever those words appear in that section of the words “Ayurveda pharmacist or Ayurveda nurse or Ayurveda massage therapist”.

Amendment of section 72 of the principal enactment

41. Section 77 of the principal enactment is hereby amended as follows: -

Amendment of section 77 of the principal enactment

- (1) by the repeal of subsection (1) thereof and the substitution therefor, of the following:-

“(1) Regulations may be made under this Act prescribing an Ayurveda Code containing all such provisions in respect of all such matters as the authority empowered to make such regulations may deem necessary to prohibit, regulate or control the manufacture, preparation, importation, exportation, purchase, storage, advertising, transportation, quality control, sale,

supply, distribution or dispensing of any article, substance or drug for the purpose of Ayurveda medicine and surgery. Such Code may, without prejudice to the generality of the powers hereinbefore conferred, make provision in respect of all or any of the following matters:-

- (a) the declaration of any article, substance or drug as a poison, poisonous substance or dangerous drug, as the case may be, for that purpose;
- (b) the prohibition, regulation or control of, the manufacture, preparation, importation, exportation, purchasing, storing, advertising, transportation, quality control, sale, supply, or distribution of any Ayurveda product;
- (c) the registration and maintenance of any herbal Garden for Research and Extension;
- (d) the registration of or issuance of licences or permits for any herbal cultivation and for any related activity, including transportation and storing of crop;
- (e) the introduction and operation of a system of registration, licensing or issuance of permits for the purpose of effecting such regulation or control, including, but not limited to, the making of application for such registration, licensing or issuance of permits, the grant, refusal, suspension and cancellation of such registration, licence or permit;

- (f) the precautions to be taken, and the conditions to be complied with, in such herbal cultivation and in such manufacture, preparation, importation, exportation, purchase, storage, advertising, transportation, quality control, sale, supply, distribution or dispensing;
 - (g) the books and records to be kept and maintained, and the returns to be furnished, by persons engaged in such herbal cultivation and in such manufacture, preparation, importation, exportation, purchase, storage, advertising, transportation, quality control, sale, supply, distribution or dispensing;
 - (h) the inspection of the premises in which such herbal cultivation is carried out and in which such manufacture, preparation, importation, exportation, purchase, storage, advertising, transportation, quality control, sale, supply, distribution or dispensing is carried on, and of the records and books kept and maintained for that purpose;
 - (i) the charging of fees, where necessary, in respect of any matter referred to in this section;
 - (j) the declaration of any medicinal plant which requires a licence or permit for cultivation; and
 - (k) any other matter incidental to or connected with the matters aforesaid.”;
- (2) in subsection (2) thereof, by the substitution for the words “the Prime Minister.” of the words “the President.”.

Amendment of section 79 of the principal enactment

42. Section 79 of the principal enactment is hereby amended by the substitution for the words “registered ayurvedic hospital, any registered ayurvedic pharmacy,”, wherever those words appear in that section, of the words “registered Ayurveda hospital, any registered Ayurveda pharmacy, any Ayurveda drug manufactory, any herbal cultivation,”.

Replacement of section 80 of the principal enactment

43. Section 80 of the principal enactment is hereby repealed and the following section is substituted therefor: -

“offences and penalties

80. (1) Any person who –

- (a) resists or obstructs a person authorized in that behalf under this Act in the exercise by such person of any powers conferred on him by or under this Act;
- (b) fails without reasonable cause, to comply with the requirements of a notice issued under this Act;
- (c) knowingly makes any false statement in any return or information furnished by him under this Act; or
- (d) willfully omits any material fact from any return or information furnished by him under this Act in respect of which he is required to furnish information,

commits an offence under this Act and shall be liable on conviction after summary trial before a Magistrate, to a fine of not exceeding fifty thousand rupees or to imprisonment of

either description, for a term not exceeding six months or to both such fine and imprisonment.

(2) Any person who contravenes the provisions of this Act or any regulation made thereunder, while practicing Ayurveda under the Authority of a licence issued under this Act, commits an offence under this Act and shall be liable on conviction after summary trial before a Magistrate, to a fine of not exceeding one hundred thousand rupees or to imprisonment of either description, for a term not exceeding one year or to both such fine and imprisonment.

(3) Any person who commits an offence under section 79 of this Act, shall be liable on conviction after summary trial before a Magistrate, to a fine not exceeding one hundred thousand 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-

- (a) carries out any activity without a licence or permit for which a licence or permit is required under this Act; or
- (b) fraudulently displays a logo or a mark or a sign indicating that a premises, establishment, an article, a drug, substance or an Ayurveda product has a valid licence issued under this Act,

commits an offence under this Act and shall be liable on conviction after summary trial before a Magistrate, to a fine not exceeding two hundred thousand rupees or to imprisonment of either description for a term not exceeding one year or to both such fine and imprisonment.

(5) Any person who acts in contravention of any provision of this Act, (other than the provisions referred to in subsections (1), (2), (3) and (4) of this section) or any requirements imposed under any such provision, or any regulations made under the Act, shall be guilty of an offence under this Act and shall, on conviction after summary trial before a Magistrate, be liable –

- (a) where such person is not a body corporate, to a fine not less than rupees five thousand and not exceeding rupees fifty thousand or to imprisonment of either description for a term not exceeding one year or to both such fine and imprisonment in the case of a first offence, and to a fine not less than rupees ten thousand and not exceeding rupees one hundred thousand or to an imprisonment of either description for a term not exceeding two years or to both such fine and imprisonment in the case of a subsequent offence ; and
- (b) where such person is a body corporate, to a fine not less than rupees fifty thousand and not exceeding rupees one million in the case of a first offence, and to a fine not less than rupees one hundred thousand and not exceeding rupees two million in the case of a subsequent offence.”.

Amendment of
section 83 of
the principal
enactment

44. Section 83 of the principal enactment is hereby amended by the substitution for the words “pharmacy or nursing,” of the words “ayurveda drug manufacturing, nursing or Ayurveda massage therapy,”.

45. Section 89 of the principal enactment is hereby amended as follows:-

Amendment of
section 89 of
the principal
enactment

- (1) by the repeal of the definition of the expression “Ayurveda” and the substitution therefor, of the following:-

““Ayurveda” includes the Ayurveda, Siddha, Unani and Desiya Chikitsa systems of medicine and surgery and any other system of medicine indigenous to Asian countries and recognized as such by the Governments of such respective countries;”;

- (2) by the insertion, immediately after the definition of the expression “ayurveda pharmacy”, the following new definition: -

““Ayurveda Product” means any Ayurveda article, substance or drug which is manufactured or refined for sale, and includes any locally manufactured or imported medicinal extract or fraction, a health supplement, a food supplement, a cosmeceutical, or a device;”;

- (3) by the insertion, immediately after the definition of the expression “dispensary”, the following new definitions:-

“ “Eastern University of Sri Lanka” means the Eastern University of Sri Lanka established under Order made under section 21 of the Universities Act, No.16 of 1978 and published in the *Gazette* Extraordinary No. 420/25 of September 26, 1986;

“Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka” means the Faculty of Indigenous Medicine of the University of Colombo, Sri Lanka established by Order made under the Universities Act, No.16 of 1978 and published in the *Gazette* Extraordinary No. 2319/22 of February 13, 2023;

“Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka” means the the Gampaha Wickramarachchi University of Indigenous Medicine, Sri Lanka established by Order made under the Universities Act, No.16 of 1978 and published in the *Gazette* Extraordinary No. 2199/12 of October 28, 2020;

“Herbal Cultivation” means the cultivation of any medicinal plants for Ayurveda purposes as prescribed in the Ayurveda Code and shall include crop harvest or residual of such growth used for any commercial purposes;

“Herbal Gardens for Research and Extension” means a dedicated space devoted to grow medicinal plants for research purposes, either by the Department of Ayurveda or a person registered for such purposes under this Act;”;

- (4) by the insertion, immediately after the definition of the expression “Hospital of Indigenous Medicine”, the following new definitions:-

““Medicinal plant” means any plant which, in one or more of its organs, contain substances that can be used for thereputic purposes or which are precursors for the synthesis of useful drugs;

“Minister” means the Minister assigned the subject of Ayurveda under Article 44 or 45 of the Constitution;

“Primary Health Care” means a whole-of-society approach to health that aims at ensuring the highest possible level of health and well-being and their equitable distribution by focusing on people's needs and as early as possible along the continuum from health promotion and disease prevention to treatment, rehabilitation and palliative care, and as close as feasible to people's everyday environment;”;

- (5) by the repeal of the definition of the expression “register of Ayurveda practitioners” and the substitution therefor, of the following:-

“ “register of Ayurveda practitioners” means the General register, or the Special register maintained by the Ayurveda Medical Council under this Act for the registration of Ayurveda practitioners, and includes any register which is deemed to be a General register of Ayurveda practitioners or a Special register of Ayurveda practitioners under subsection (3) of section 51;”;

- (6) by the insertion, immediately after the definition of the expression “registered ayurvedic practitioner”, the following new definitions:-

“Registered Ayurveda massage therapist” means any person registered as an Ayurveda massage therapist under this Act;

“Register of Ayurveda massage therapist” means the register maintained by the Ayurveda Medical Council for the registration of Ayurveda massage therapist under this Act;

“University of Colombo, Sri Lanka” means the University of Colombo, Sri Lanka established under section 139 of the Universities Act, No.16 of 1978;

“University of Jaffna, Sri Lanka” means the University of Jaffna, Sri Lanka established under section 139 of the Universities Act, No.16 of 1978;”.

Avoidance of doubt

46. For the avoidance of doubt, it is hereby declared that the provisions of this Act shall not affect or be deemed to have affected any act previously done or any decision previously made under the principal enactment prior to the date of commencement of this Act.

Sinhala text to prevail in case of inconsistency

47. 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**

**CIVIL PROCEDURE CODE (AMENDMENT)
ACT, No. 20 OF 2023**

[Certified on 17th of October, 2023]

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Civil Procedure Code (Amendment)
Act, No. 20 of 2023

[Certified on 17th of October, 2023]

L.D.–O. 44/2017

AN ACT TO AMEND THE CIVIL PROCEDURE CODE (CHAPTER 101)

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

1. This Act may be cited as the Civil Procedure Code (Amendment) Act, No. 20 of 2023. Short title

2. The Civil Procedure Code (Chapter 101) is hereby amended by the repeal of section 205 thereof and substitution therefor of the following section:- Amendment of section 205 of Chapter 101

“Persons to be entitled to certified copies of judgment, decree or proceedings in any action **205.** (1) The Registrar of the court shall, where the respective parties to an action apply for a certified copy of the judgment or final decree of the action or both, issue one certified copy of the same to each such party free of charge.

(2) Subject to the provisions of subsection (1), the Registrar of the court shall, upon any person-

- (a) making an application accompanied by such fee as may be determined from time to time by the Secretary to the Ministry of the Minister assigned the subject of Justice by Notification published in the *Gazette* and supplying the necessary stamps, furnish to such person copies of the judgment, decree or proceedings in an action or any part thereof; or

- (b) making an application and producing the necessary stamps, examine and certify to the correctness of any such copies made by such person:

Provided that, a person other than a party to a matrimonial action, an adoption application or a custody application shall not be entitled to obtain certified copies of any proceedings or documents of such action or application, except the judgment, order or decree thereof:

Provided further that, upon being satisfied as to the requirement of an applicant who is not a party to such matrimonial action, adoption application or custody application, the court may direct the Registrar of such court to issue to such applicant, certified copies of the proceedings or documents of such action or application.

(3) Notwithstanding anything to the contrary in section 76 of the Evidence Ordinance (Chapter 14) or any other written law, a document issued or transmitted electronically by a court shall be deemed for the purposes of authentication and verification, to have been signed, sealed and dated by court, where such document—

- (a) if originally created in electronic form, contains the electronic signature and electronic seal of the Registrar or such other officer authorized by law to place the signature together with his name and official title, the electronic seal of the court, and the date; or

- (b) if originally created in paper form and converted into an electronic copy in portable document format (PDF) or by similar file converter technology, contains the signature and seal of the Registrar or such other officer authorized by law to place the signature, together with his name and official title, the seal of the court, and the date.”.

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**ELECTIONS (SPECIAL PROVISIONS)
ACT, No. 21 OF 2023**

[Certified on 17th of October, 2023]

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Elections (Special Provisions)
Act, No. 21 of 2023

[Certified on 17th of October, 2023]

L.D.-O. 9/2023

AN ACT TO PROVIDE FOR THE EXTENTION OF THE TIME PERIOD FOR PRESENTATION OF AN ELECTION PETITION AND INCREASE OF FINES; AND TO AMEND THE LOCAL AUTHORITIES ELECTIONS ORDINANCE (CHAPTER 262), THE PARLIAMENTARY ELECTIONS ACT, NO. 1 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. 21 of 2023. Short title

PART I

AMENDMENTS TO THE LOCAL AUTHORITIES ELECTIONS ORDINANCE
(CHAPTER 262)

2. The sections of the Local Authorities Elections Ordinance (Chapter 262) (hereinafter in this Part referred to as the “principal enactment”) specified in Column I of the First Schedule hereto, are hereby amended by the substitution for the words specified in the corresponding entry in Column II, of the words specified in the corresponding entry in Column III of that Schedule for the purpose of increase of fines specified in such sections. Amendment of certain sections of Chapter 262 specified in the First Schedule

3. Section 82^{AF} of the principal enactment as last amended by Act, No. 1 of 2002 is hereby further amended in subsection (1) thereof, by the substitution for the words “within twenty-one days of the date of publication of the result of the election in the *Gazette*:”, of the words “within forty-two days of the date of publication of the result of the election in the *Gazette*:”. Amendment of section 82^{AF} of the principal enactment

PART II

AMENDMENTS TO THE PARLIAMENTARY ELECTIONS
ACT, NO. 1 OF 1981

Amendment of certain sections of Act, No. 1 of 1981 specified in the Second Schedule

4. The sections of the Parliamentary Elections Act, No. 1 of 1981 (hereinafter in this Part referred to as the “principal enactment”) specified in Column I of the Second Schedule hereto, are hereby amended by the substitution for the words specified in the corresponding entry in Column II, of the words specified in the corresponding entry in Column III of that Schedule for the purpose of increase of fines specified in such sections.

Amendment of section 108 of the principal enactment

5. Section 108 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “within twenty-one days of the date of publication of the result of the election in the *Gazette*:”, of the words “within forty-two days of the date of publication of the result of the election in the *Gazette*:”.

PART III

AMENDMENTS TO THE PRESIDENTIAL ELECTIONS
ACT, NO. 15 OF 1981

Amendment of certain sections of Act, No. 15 of 1981 specified in the Third Schedule

6. The sections of the Presidential Elections Act, No. 15 of 1981 (hereinafter in this Part referred to as the “principal enactment”) specified in Column I of the Third Schedule hereto, are hereby amended by the substitution for the words specified in the corresponding entry in Column II, of the words specified in the corresponding entry in Column III of that Schedule for the purpose of increase of fines specified in such sections.

Elections (Special Provisions) 3
Act, No. 21 of 2023

7. Section 102 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “within twenty-one days of the date of publication of the result of the election in the *Gazette*:”, of the words “within forty-two days of the date of publication of the result of the election in the *Gazette*:”.

Amendment of section 102 of the principal enactment

PART IV

AMENDMENTS TO THE PROVINCIAL COUNCILS ELECTIONS
ACT, NO. 2 OF 1988

8. The sections of the Provincial Councils Elections Act, No. 2 of 1988 (hereinafter in this Part referred to as the “principal enactment”) specified in Column I of the Fourth Schedule hereto, are hereby amended by the substitution for the words specified in the corresponding entry in Column II, of the words specified in the corresponding entry in Column III of that Schedule for the purpose of increase of fines specified in such sections.

Amendment of certain sections of Act, No. 2 of 1988 specified in the Fourth Schedule

9. Section 108 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “within twenty-one days of the date of publication of the result of the election in the *Gazette*:”, of the words “within forty-two days of the date of publication of the result of the election in the *Gazette*:”.

Amendment of section 108 of the principal enactment

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 (Section 2)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Sections Amended</i>	<i>Repeal</i>	<i>Insert</i>
11	one hundred rupees	fifty thousand rupees
18(6)	one hundred rupees	fifty thousand rupees
39A(3)	five hundred rupees	two hundred thousand rupees
39A (3A)	five hundred rupees	two hundred thousand rupees
39B (1)	five hundred rupees	two hundred thousand rupees
43	five hundred rupees	two hundred thousand rupees
52(2)	five hundred rupees	two hundred thousand rupees
53A(4)	five hundred rupees	two hundred thousand rupees
77	five hundred rupees	two hundred thousand rupees
78(1)	five hundred rupees	two hundred thousand rupees
81A(3)	one hundred rupees	fifty thousand rupees
81B(2)	one hundred rupees	fifty thousand rupees
82E(1)	five hundred rupees	two hundred thousand rupees
82F(1)	five hundred rupees	two hundred thousand rupees
82L(1)	three hundred rupees	one hundred thousand rupees
82M(1)	three hundred rupees	one hundred thousand rupees
84A(2)	five hundred rupees	two hundred thousand rupees
85A	fifty rupees	twenty-five thousand rupees
Second Schedule	five hundred rupees	two hundred thousand rupees

SECOND SCHEDULE
 (Section 4)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Sections Amended</i>	<i>Repeal</i>	<i>Insert</i>
5	five hundred rupees	two hundred thousand rupees
18	one thousand rupees	four hundred thousand rupees
26(1)	five hundred rupees	two hundred thousand rupees
27(3)	five hundred rupees	two hundred thousand rupees
27(4)	five hundred rupees	two hundred thousand rupees
43(3)	five hundred rupees	two hundred thousand rupees
67(2)	one thousand rupees	four hundred thousand rupees
68(1)	one hundred rupees	fifty thousand rupees
68(2)	one hundred rupees	fifty thousand rupees
69	one hundred rupees	fifty thousand rupees
70	one hundred rupees	fifty thousand rupees
72	five hundred rupees	two hundred thousand rupees
73(3)	one hundred rupees	fifty thousand rupees
74(2)	one hundred rupees	fifty thousand rupees
75(1)	one hundred rupees	fifty thousand rupees
76(6)	five hundred rupees	two hundred thousand rupees
81(1)	five hundred rupees	two hundred thousand rupees
82(1)	five hundred rupees	two hundred thousand rupees
87(1)	three hundred rupees	one hundred thousand rupees
88(1)	three hundred rupees	one hundred thousand rupees
121(2)	fifty rupees	twenty-five thousand rupees
122(2)	five hundred rupees	two hundred thousand rupees

THIRD SCHEDULE

(Section 6)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Sections Amended</i>	<i>Repeal</i>	<i>Insert</i>
6	five hundred rupees	two hundred thousand rupees
23(1)	five hundred rupees	two hundred thousand rupees
24(3)	five hundred rupees	two hundred thousand rupees
24(4)	five hundred rupees	two hundred thousand rupees
41(3)	five hundred rupees	two hundred thousand rupees
67(2)	one thousand rupees	four hundred thousand rupees
68(1)	one hundred rupees	fifty thousand rupees
68(2)	one hundred rupees	fifty thousand rupees
69	one hundred rupees	fifty thousand rupees
70	one hundred rupees	fifty thousand rupees
72	five hundred rupees	two hundred thousand rupees
73(3)	one hundred rupees	fifty thousand rupees
74(2)	one hundred rupees	fifty thousand rupees
75(6)	five hundred rupees	two hundred thousand rupees
80 (1)	five hundred rupees	two hundred thousand rupees
81(1)	five hundred rupees	two hundred thousand rupees
86(1)	three hundred rupees	one hundred thousand rupees
87(1)	three hundred rupees	one hundred thousand rupees
109(2)	fifty rupees	twenty-five thousand rupees
110(2)	five hundred rupees	two hundred thousand rupees

Elections (Special Provisions)
Act, No. 21 of 2023

7

FOURTH SCHEDULE
(Section 8)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Sections Amended</i>	<i>Repeal</i>	<i>Insert</i>
6	one thousand rupees	four hundred thousand rupees
16	one thousand rupees	four hundred thousand rupees
24(1)	five hundred rupees	two hundred thousand rupees
25(3)	five hundred rupees	two hundred thousand rupees
25(4)	five hundred rupees	two hundred thousand rupees
41(3)	five hundred rupees	two hundred thousand rupees
64	one hundred rupees	fifty thousand rupees
67(2)	one thousand rupees	four hundred thousand rupees
68(1)	one hundred rupees	fifty thousand rupees
68(2)	one hundred rupees	fifty thousand rupees
69	one hundred rupees	fifty thousand rupees
70	one thousand rupees	four hundred thousand rupees
72	five hundred rupees	two hundred thousand rupees
73(3)	one hundred rupees	fifty thousand rupees
74(2)	one hundred rupees	fifty thousand rupees
75(1)	one hundred rupees	fifty thousand rupees
76(3)	one thousand rupees	four hundred thousand rupees
77(6)	five hundred rupees	two hundred thousand rupees
82(1)	five hundred rupees	two hundred thousand rupees
83(1)	five hundred rupees	two hundred thousand rupees
88(1)	three hundred rupees	one hundred thousand rupees
89(1)	three hundred rupees	one hundred thousand rupees
123(2)	five hundred rupees	two hundred thousand rupees
Second Schedule item 9(4)	five hundred rupees	two hundred thousand rupees

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

**NATIONAL EYE BANK TRUST OF SRI LANKA
ACT, No. 22 OF 2023**

[Certified on 17th of October, 2023]

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*National Eye Bank Trust of
Sri Lanka Act, No. 22 of 2023*

[Certified on 17th of October, 2023]

L.D.–O. 49/2013

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A TRUST CALLED THE NATIONAL EYE BANK TRUST OF SRI LANKA; TO PROVIDE CORNEAL TISSUES, ARTIFICIAL DEVICES AND OTHER TISSUES REQUIRED FOR OPHTHALMIC SURGERY AND FOR SCIENTIFIC AND TECHNICAL RESEARCH AND EDUCATION; TO SHARE EXCESS CORNEAL TISSUES AND OTHER TISSUES REQUIRED FOR OPHTHALMIC SURGERY WITH OTHER COUNTRIES AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERTO.

WHEREAS corneal blindness has been identified as one of the major causes for blindness worldwide with highest prevalence in Asia, and the Ministry of Health of Sri Lanka has established a National Eye Bank of Sri Lanka accommodated in the Colombo National Eye Hospital since the Twenty Fourth day of February, Two Thousand and Eleven with a view to alleviating corneal blindness;

Preamble

AND WHEREAS now the Government of Sri Lanka is desirous of incorporating the National Eye Bank of Sri Lanka with a view to alleviating blindness and for the prevention and control of avoidable blindness.

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 Eye Bank Trust of Sri Lanka Act, No. 22 of 2023.

Short title

PART I

ESTABLISHMENT OF THE NATIONAL EYE BANK TRUST OF SRI LANKA

2. (1) There shall be established a Trust to be called the National Eye Bank Trust of Sri Lanka (hereinafter referred to as “the Trust”).

Establishment of
the National
Eye Bank Trust
of Sri Lanka

(2) The Trust shall, by the name assigned to it by subsection (1), be a body corporate and shall have perpetual succession and by that name may sue and be sued.

The objects of
the Trust

3. The objects of the Trust shall be to –

- (a) alleviate blindness from Sri Lanka and prevent and control of avoidable blindness in Sri Lanka;
- (b) function as the National Eye Tissue Bank of Sri Lanka;
- (c) harvest, process and distribute corneas and other tissues required for ophthalmic surgery, research and education while adhering to medical and quality standards and ethics as shall be prescribed by regulations, relating to harvesting and transplantation of corneal tissues and use of other tissues required for ophthalmic surgery;
- (d) enhance public awareness in respect of the benefits and values of donation of corneal tissues and other tissues required for ophthalmic surgery;
- (e) train Tissue Coordinators to harvest corneal tissues and other tissues required for ophthalmic surgery;
- (f) provide free of charge, corneal tissues and other tissues required for ophthalmic surgery to Government Hospitals for transplantations; and
- (g) provide corneal tissues and other tissues required for ophthalmic surgery which are in excess to other countries and recover from them the processing cost as may be prescribed:

Provided however, in providing corneal and other tissues in terms of this paragraph, priority shall be given, in all instances, to requests made by Government hospitals and Sri Lankan citizens.

PART II

THE BOARD OF THE NATIONAL EYE BANK TRUST OF SRI LANKA

4. The administration and management of the affairs of the Trust shall be vested in a Board of Trust (hereinafter referred to as “the Board”) consisting of –

Establishment of
the National Eye
Bank Trust
Board of Sri
Lanka

(a) the following *ex-officio* members, namely–

- (i) the Secretary to the Ministry of the Minister assigned the subject of Health who shall serve as the Chairman (hereinafter referred to as “the Chairman”) of the Board;
- (ii) the Director-General of Health Services;
- (iii) the Director of Colombo National Eye Hospital or his representative not below the rank of a Deputy Director;
- (iv) a representative of the Treasury nominated by the Secretary to the Ministry of the Minister assigned the subject of Finance;
- (v) the Chief Judicial Medical Officer of Colombo;
- (vi) the Chief Accountant of the Ministry of Health;

(b) the following members (hereinafter referred to as the “appointed members”) appointed by the Minister:–

- (i) a representative nominated by the Council of the College of Ophthalmologists of Sri Lanka, established under the Council of Ophthalmologists of Sri Lanka (Incorporation) Act, No.12 of 2000;
- (ii) a medical practitioner nominated by the Sri Lanka Medical Council established by the

Medical Ordinance (Chapter 105), from among the medical practitioners registered in the Sri Lanka Medical Council possessing qualifications and expertise in the field of ophthalmology; and

- (iii) a person who has proven experience and shown capacity in the fields of law or management.

Term of office
of appointed
members

5. (1) Every appointed member shall, unless he vacates office earlier, hold office for a period of three years from the date of his appointment:

Provided that, a member appointed by the Minister to fill a vacancy in the office of an appointed member of the Board shall unless he vacates office earlier, hold office for the unexpired portion of the term of office of the member whom he succeeds.

(2) Any appointed member of the Board who vacates office shall, unless he has been removed from office under section 6, be eligible for re-appointment for not more than one further term of office, whether consecutive or otherwise.

Removal,
resignation etc.
of appointed
members

6. (1) Any appointed member of the Board may at any time, resign his office by letter in that behalf addressed to the Minister and such resignation shall take effect from the date on which the resignation is accepted in writing by the Minister.

(2) The Minister may, for reasons assigned therefore remove any appointed member from office. An appointed member who has been removed from office shall not be eligible for re-appointment as a member of the Board or to serve the Board in any other capacity.

(3) In the event of the vacation of office by death, resignation or removal of any appointed member, the Minister shall, subject to paragraph (b) of section 4, appoint another person to fill such vacancy.

(4) Where any appointed member of the Board is temporarily unable to perform the duties of his office on account of ill health or any other cause or if he is absent from Sri Lanka for a period of not less than three months, the Minister shall having regard to the provisions of paragraph (b) of section 4 appoint any other person to act in place of such member during his absence.

(5) Where any appointed member of the Board fails to attend three consecutive meetings of the Board without obtaining prior approval for such absence from the Chairman, such member shall be deemed to have vacated his office at the conclusion of the third meeting and the Minister shall appoint another person to fill such vacancy in the manner provided for in subsection (3).

7. Any person –

Disqualification
for being a
member

- (a) if such person is not or ceases to be a citizen of Sri Lanka;
- (b) if such person is or becomes a member of Parliament or a Provincial Council or any Local Authority;
- (c) if such person has any financial or other interest which may affect the discharge by him of his functions as a member of the Board;
- (d) if such person is under any law in force in Sri Lanka or in any other country found or declared to be of unsound mind;
- (e) if such person is serving or has served a sentence of imprisonment imposed by any court in Sri Lanka or any other country,

he shall be disqualified from being appointed or continuing to be a member of the Board.

Meetings of the Board

8. (1) If the Chairman is present at a meeting of the Board, he shall preside at such meeting. In the absence of the Chairman from any meeting, the Director-General of Health Services shall preside such meeting.

(2) Subject to the other provisions of this Act, the Board may regulate the procedure in regard to its meetings and the transaction of business at such meetings.

(3) The quorum for a meeting of the Board shall be five members.

(4) Where there is an equality of votes, the Chairman shall in addition to his vote have a casting vote.

Vacancy among members not to invalidate acts and proceedings of the Board

9. No act or proceeding of the Board shall be invalid by reason only of any vacancy among its members or any defect in the appointment of any of its members.

Special and general directions to be issued by the Minister

10. The Minister may, from time to time, issue such special or general directions to the Board relating to the exercise, performance and discharge of its powers, duties and functions under this Act, and it shall be the duty of the Board to give effect to such directions.

PART III

POWERS AND FUNCTIONS OF THE BOARD

Powers and functions of the Board

11. In giving effect to the objects of the Trust and other provisions of this Act the Board shall have the power—

- (a) to harvest, process and distribute corneal tissues collected from donors upon their death, through a Tissue Coordinator appointed under section 22;

- (b) to preserve and store corneal tissues and other tissues required for ophthalmic surgery under such conditions as may be prescribed;
- (c) to arrange to carry out, in consultation with the Director-General of Health Services, any ophthalmic surgery;
- (d) to obtain written consent of prospective donors for donation of corneal tissues upon their death subject to the provisions of the Transplantation of Human Tissues Act, No. 48 of 1987 and the Code of Criminal Procedure Act, No.15 of 1979;
- (e) to recall or downgrade the corneal tissues or other tissues required for ophthalmic surgery where the quality of such tissues are not up to the standards as shall be prescribed by regulations to use for the purpose of this Act;
- (f) to maintain in such manner as may be determined in consultation with the Secretary to the Ministry of the Minister assigned the subject of Health, a register and a database of the donors of any corneal or other tissues required for ophthalmic surgery;
- (g) to advise the Minister in respect of fees to be levied from the non-Sri Lankan Nationals in order to cover the costs relating to transplanting and processing of corneal tissues and other tissues required for ophthalmic surgery;
- (h) to share corneal tissues and other tissues required for ophthalmic surgery free of processing charges as an act of friendship to any foreign country when so requested by the Minister;
- (i) to share expertise or technology relating to eye banking with other countries;

- (j) to formulate a code of ethics relating to harvesting and transplanting of corneal tissues based on applicable standards;
- (k) to appoint, employ, dismiss or terminate the services of officers and employees and exercise disciplinary control over them and to pay them such remuneration in terms of the scheme of recruitment prepared by the Board in consultation with the Ministry of Health in line with the policy applicable therefore;
- (l) to design, maintain and use a logo for the National Eye Bank of Sri Lanka;
- (m) to use where necessary, in letter heads or any other documents of the National Eye Bank of Sri Lanka, symbols, signs, marks or letters of any institution assisting or accrediting the National Eye Bank of Sri Lanka;
- (n) with the concurrence of the Minister, to enter into agreements with foreign institutions which shall also be State institutions and incorporated bodies involved in quality assurance and development of system relating to eye banking in order to train persons on quality assurance and development of system relating to eye banking;
- (o) to train the officials of the National Eye Bank of Sri Lanka in or outside Sri Lanka and to train eye bank officials of other countries on eye banking and transplantation, and to determine fees chargeable from foreign nationals for such training;
- (p) to organize lectures, seminars, workshops or any other programme on ophthalmic surgery and donation of corneas and other tissues and procedures to be followed in respect of such donations and surgeries;

(q) to hold, take or give on lease or hire, mortgage, pledge or sell or otherwise dispose of, any movable or immovable property belonging to the Trust and to construct buildings on any land belonging thereto;

(r) to accept and receive, grants, gifts, donations and bequests both movable and immovable, from sources in or outside Sri Lanka to the National Eye Bank Trust Fund and apply them for the discharge of its functions:

Provided that, the Board shall obtain prior written approval of the Department of External Resources in respect of all foreign grants, gifts or donations made to the Trust;

(s) to open and maintain current, savings or other deposit accounts in any State bank or banks as may be determined by the Board and to close such accounts; and

(t) generally, to do such other acts and things as are authorized by this Act to facilitate the proper discharge of the functions of the Board.

12. The Trust shall be capable in law to take and hold 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 Trust for the purposes of this Act. Power of the Trust to hold property

13. The members of the Board may be remunerated in such manner as may, from time to time, be determined by the Minister with the concurrence of the Minister to whom the subject of Finance has been assigned. Remuneration of members

14. (1) The seal of the Trust shall be in the custody of such person as the Board may decide, from time to time, and may be altered in such manner as may be determined by the Board. Seal of the Trust

(2) The seal of the Trust shall not be affixed to any instrument or document except in the presence of the Chairman or in his absence any member authorized by the Chairman in writing in that behalf, and one other member of the Board. Both such members shall sign the instrument or document in token of their presence and such signing shall be independent of the signing of any person as a witness.

(3) The Board shall maintain a register of every instrument or document to which the seal of the Board is affixed.

Delegation of
powers etc.

15. (1) The Board may subject to such conditions as may be specified in writing, delegate any of its powers, duties or functions under this Act to any member of the Board. Such member shall exercise, perform or discharge such power, duty or function subject to any special or general direction that may be issued by the Board.

(2) Notwithstanding any delegation made under subsection (1), the Board may exercise, perform or discharge such power, duty or function so delegated.

PART IV

THE NATIONAL EYE BANK TRUST FUND

Establishment of
the National Eye
Bank Trust Fund

16. (1) There shall be established a Fund called the National Eye Bank Trust Fund (hereinafter referred to as “the Fund”).

(2) The management, administration, control and operation of the Fund shall be vested in the Board.

(3) There shall be paid into the Fund-

(a) all such sums of money as may be voted by Parliament, from time to time, for the use of the Trust including the initial grant and the annual grants of the National Eye Bank of Sri Lanka;

- (b) any fund raised, or grants, gifts or donations received, or moneys realized or collected under the provisions of this Act;
 - (c) the sum of money transferred to the Fund under subsection (1) of section 30; and
 - (d) any income from investments or other receipts due to the Trust.
- (4) There shall be paid out of the Fund-
- (a) all expenses which are necessary for the functioning and maintenance of the Trust;
 - (b) all such other payments as are approved by the Board as being necessary for the purpose of carrying out the objects of the Trust.

17. (1) The financial year of the Trust shall be the calendar year.

Accounts and
audit

(2) The Board shall cause proper books of accounts to be kept of the income and expenditure and all other transactions of the Trust.

(3) The Board shall cause its books of accounts to be balanced as at the thirty-first day of December in each year and shall, before the thirty-first day of March next, cause to be prepared, an income and expenditure account and balance sheet containing a summary of the assets and liabilities of the Trust made up to the first-mentioned date.

(4) The income and expenditure account and the balance sheet shall be signed by the members of the Board authorized to do so by a resolution passed by the Board.

(5) The accounts of the Trust shall be audited by the Auditor-General annually in terms of Article 154 of the Constitution.

Annual report

18. (1) The Trust shall within six months of the end of each financial year submit to the Minister an annual report on the activities carried out by the Trust together with a list of its assets and liabilities. The audited accounts of the Trust for the year along with the Auditor-General's report shall also be attached to such report.

(2) The Minister shall within three months from the date of receipt of the annual report, table such report along with the document specified in subsection (1) in Parliament for its consideration.

PART V

THE STAFF OF THE TRUST

The Chief
Executive
Director to be
the Chief
Executive
Officer

19. (1) The Minister shall in consultation with the Board appoint to the staff of the Trust, a person to be the Chief Executive Director. The Chief Executive Director shall have the qualifications and experience as specified by rules made under this Act.

(2) The Chief Executive Director shall, subject to the general directions of the Board, be charged with the administration of the affairs of the Trust, the exercise and performance of the powers and duties as may be assigned to him by the Board, and the administration and control of the employees of the Trust. The Chief Executive Director shall be responsible for the execution of all decisions of the Board and shall function as the Secretary to the Board.

(3) The Chief Executive Director may, with the approval of the Board, whenever he considers it necessary to do so, delegate to any employee of the Trust, any power, duty or function conferred or imposed upon him by this Act, and such employee shall exercise, discharge and perform such power, duty or function subject to the general or special directions of the Chief Executive Director. The Chief Executive Director may, notwithstanding such delegation

exercise, discharge and perform any power, duty or function so delegated under this subsection.

(4) The Minister may after assigning reasons therefore, remove the Chief Executive Director from office and having regard to the provisions of subsection (1), appoint another person to act in his place.

(5) The Chief Executive Director shall hold office for a period of three years from the date of his appointment and unless removed from office under subsection (4) shall be eligible for re-appointment, for not more than one further term, whether consecutive or otherwise.

(6) The Medical Director of the National Eye Bank of Sri Lanka holding office on the day immediately preceding the date of commencement of this Act, shall function as the Chief Executive Director until the first Chief Executive Director is appointed in the manner provided for in subsection (1).

20. The Minister, in consultation with the Secretary to the Ministry of the Minister assigned the subject of Health shall appoint a person who is an ophthalmologist having completed a Corneal fellowship or has demonstrated expertise in external eye diseases, corneal surgery, research or teaching experience in cornea or external eye diseases or has experience in corneal transplantations to be the Medical Director of the Trust.

Medical Director
of the Trust

21. (1) At the request of the Board, any officer in the public service may, with the consent of that officer and of the Public Service Commission be temporarily appointed to the staff of the Trust for such period as may be determined by the Board and with like consent be permanently appointed to such staff.

Appointment of
officers and
servants

(2) Where any officer in the public service is temporarily appointed to the staff of the Trust, 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 such officer.

(3) Where any officer in the public service is permanently appointed to the staff of the Trust 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 such officer.

Appointment of
Tissue
Coordinators

22. There shall be appointed such number of Tissue Coordinators as may be required for the purposes of this Act whose qualifications, powers and functions shall be determined by rules made by the Board.

Officers and
servants of the
Trust deemed to
be public
servants under
the Penal Code
(Chapter 19)

23. All officers and servants of the Trust shall be deemed to be public servants within the meaning and for the purposes of the Penal Code (Chapter 19).

Protection for
action taken
under this Act or
on the direction
of the Board

24. (1) Any expense incurred by the Trust in any suit or prosecution brought by, or against the Trust before any court, shall be paid out of the Fund, and any costs paid to, or recovered by the Trust in any such suit or prosecution shall be credited to the Fund.

(2) Any expense incurred by any member of the Board or any officer, servant or agent of the Trust in any suit or prosecution brought against him in 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 Board 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.

25. The Trust shall be deemed to be a scheduled institution within the meaning of the Bribery Act and the provisions of that Act shall accordingly apply.

Trust deemed to be a scheduled institution within the meaning of the Bribery Act

PART VI

OFFENCES AND PENALTIES

26. (1) No person shall buy, sell or in any manner dispose of, for a valuable consideration, any corneal tissue or any other tissue required for ophthalmic surgery in violation of the provisions of this Act.

Any sale, dealing or disposal of corneal tissues etc. in violation of this Act to be an offence

(2) Any person who contravenes the provisions of subsection (1) commits an offence under this Act and shall on conviction by a Magistrate be liable to a fine not exceeding fifty thousand rupees, or to imprisonment of either description for a term not more than two years or both such fine and imprisonment.

PART VII

MISCELLANEOUS

27. (1) The Minister may make regulations in respect of all matters which are stated or required by this Act to be prescribed or in respect of all matters for which regulations are required or authorized to be made by this Act.

Regulations

(2) Without prejudice to the generality of the powers specified in subsection (1), the Minister may, in consultation with the Board make regulations in respect of all or any of the following :-

- (a) the procedure to be followed in the collection of corneal tissues and other tissues required for ophthalmic surgery;

- (b) the quality of corneal tissues and other tissues required for ophthalmic surgery that are suitable for harvesting for the purpose;
- (c) the procedure for medical and quality standards to be adopted in harvesting and transplanting of corneal tissues;
- (d) fees to be charged from non-Sri Lankan nationals to cover the cost of transplantation and processing of corneas and other tissues required for ophthalmic surgery;
- (e) procedure to be followed in sharing corneas and other tissues required for ophthalmic surgery with other countries; and
- (f) matters relating to the electronic submission of requests for corneal and other tissues.

(3) Every regulation made by the Minister under this section shall be published in the *Gazette* and shall come into operation upon such publication or on such later date as may be specified in the regulation.

(4) Every regulation made by the Minister under this section shall within three months from its publication in the *Gazette*, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded from the date of such disapproval but without prejudice to anything previously done thereunder.

(5) Notice of the date from which a regulation is deemed to be rescinded shall be published in the *Gazette*.

Rules

28. (1) The Board may make rules in respect of all or any matter for which rules are authorized or required by this Act to be made.

(2) Without prejudice to the generality of the powers vested in the Board under subsection (1), the Board may make rules for the following matters in particular—

- (a) to determine the qualifications, powers and functions of the Tissue Coordinators;
- (b) to determine the procedures relating to the distribution of corneal tissues and other tissues required for ophthalmic surgery to Sri Lankans;
- (c) to determine the procedure for the recruitment and training of Tissue Coordinators; and
- (d) to maintain registers which shall be kept and maintained under this Act.

(3) Every rule made under this section shall come into force upon publication in the *Gazette*.

(4) Every rule made under this section shall within a period of three months from the date of its publication in the *Gazette* be brought before Parliament for approval.

(5) Any rule made under this section may be amended or rescinded when necessary.

29. Sections 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 of the Transplantation of Human Tissues Act, No. 48 of 1987 shall, *mutatis mutandis*, apply in relation to tissues used under this Act.

Application of
Transplantation
of Human
Tissues Act, No.
48 of 1987

30. (1) Notwithstanding the provisions contained in the National Health Development Fund Act, No.13 of 1981, all such sums of money lying to the credit of the National Eye Bank of Sri Lanka in the National Health Development Fund on the day immediately preceding the date of commencement of this Act shall be transferred to the Fund.

Savings and
transitional
provisions

(2) The officers and servants of the National Eye Bank of Sri Lanka holding office on the day immediately prior to the date of commencement of this Act, shall, with the consent of the officers or servants concerned and the Board, be deemed to be officers or servants of the Trust.

(3) All officers and servants who have expressed their consent under subsection (2) shall be employed, subject to the terms of the scheme of recruitment prepared by the Ministry of Health in accordance with the applicable policy and on terms not less favourable than the terms of employment applied to them immediately prior to the date of commencement of this Act.

(4) Any request for corneal and other tissues made on or after the date of commencement of this Act but prior to the date of operation of any regulation made under this Act in respect of electronics submission of requests for corneal and other tissues, shall be deemed, for the purposes of this Act, to be validly made under this Act and may be addressed accordingly.

Interpretation

31. In this Act, unless the context otherwise requires-

“Minister” means the Minister to whom the subject of Health is assigned in terms of Article 43 or 44 of the Constitution;

“Tissue” shall have the same meaning assigned to it under the Transplantation of Human Tissues Act, No. 48 of 1987;

“Tissue Coordinator” means any nursing officer registered under the Sri Lanka Medical Council or the Sri Lanka Nursing Council and performs retrieval, counseling and tissue coordination in the Eye Bank.

Sinhala text to prevail in case of inconsistency

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**SRI LANKA PORTS AUTHORITY
(AMENDMENT) ACT, No. 23 OF 2023**

[Certified on 17th of October, 2023]

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This Act can be downloaded from www.documents.gov.lk



*Sri Lanka Ports Authority (Amendment)
Act, No. 23 of 2023*

[Certified on 17th of October, 2023]

L.D.-O. 4/2023

AN ACT TO AMEND THE SRI LANKA PORTS AUTHORITY
ACT, NO. 51 OF 1979

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

- 1.** This Act may be cited as the Sri Lanka Ports Authority
(Amendment) Act, No. 23 of 2023. Short title
- 2.** Section 5 of the Sri Lanka Ports Authority Act, No. 51
of 1979, is hereby amended in subsection (1) thereof, as
follows:- Amendment of
section 5 of Act,
No. 51 of 1979

 - (1) in paragraph (d) thereof, by the substitution for the
words “Customs; and”, of the words “Customs;”;
 - (2) in paragraph (e) thereof, by the substitution for the
words “by such Minister.”, of the words “by such
Minister; and”;
 - (3) by the addition immediately after paragraph (e)
thereof, of the following:-

“(f) a representative of the Ministry of the
Minister assigned the subject of Ports and
Shipping, nominated by such Minister.”.
- 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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CIVIL AVIATION (AMENDMENT)
ACT, No. 24 OF 2023**

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Civil Aviation (Amendment)
Act, No. 24 of 2023

[Certified on 17th of October, 2023]

L.D.- O. 29/2023

AN ACT TO AMEND THE CIVIL AVIATION ACT, NO. 14 OF 2010

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

1. This Act may be cited as the Civil Aviation (Amendment) Act, No. 24 of 2023. Short title

2. Section 6 of the Civil Aviation Act, No. 14 of 2010 is hereby amended in subsection (3) thereof, by the repeal of paragraph (e) and the substitution therefor, of the following paragraph:— Amendment of section 6 of Act, No. 14 of 2010

“(e) appoint one or more persons to be Service Providers for providing aeronautical services specified in paragraph (i), (j), (k), (l) or (m) of section 31 at any Aerodrome specified in paragraphs (a) and (b) of that section:

Provided that where a Service Provider appointed under this paragraph does not consent to provide the aeronautical services referred to therein at any Aerodrome specified in paragraph (a) or (b) of section 31, the Minister may appoint any other Service Provider to provide the aeronautical services referred to in this paragraph.”.

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 an inconsistency

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**BALAPITIYA SRI RAHULARAMA PURANA VIHARASTHA
SAMANERA AKALPA SANGWARDENA BIKSHU
VIDYALAYA (INCORPORATION)
ACT, No. 25 OF 2023**

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*Balapitiya Sri Rahularama Purana Viharastha
Samanera Akalpa Sangwardena Bikshu
Vidyalaya (Incorporation)
Act, No. 25 of 2023*

[Certified on 01st of November, 2023]

L.D.—O. (Inc.) 3/2021

AN ACT TO INCORPORATE THE BALAPITIYA SRI RAHULARAMA
PURANA VIHARASTHA SAMANERA AKALPA
SANGWARDENA BIKSHU VIDYALAYA

WHEREAS a Vidyalaya called and known as the “Balapitiya Sri Rahularama Purana Viharastha Samanera Akalpa Sangwardena Bikshu Vidyalaya” has heretofore been established in Sri Lanka for the purpose of effectually carrying out its objects and transacting all matters connected with the said Vidyalaya according to the rules agreed to by its members:

Preamble

AND WHEREAS the said Vidyalaya 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 Balapitiya Sri Rahularama Purana Viharastha Samanera Akalpa Sangwardena Bikshu Vidyalaya (Incorporation) Act, No. 25 of 2023.

Short title

2. (1) From and after the date of commencement of this Act, such and so many persons as now are members of the Balapitiya Sri Rahularama Purana Viharastha Samanera Akalpa Sangwardena Bikshu Vidyalaya (hereinafter referred to as the “Vidyalaya”) and shall hereafter be admitted as members of the body corporate hereby constituted shall have perpetual succession under the name and style of the “Balapitiya Sri Rahularama Purana Viharastha Samanera Akalpa Sangwardena Bikshu Vidyalaya” (hereinafter referred to as the “body corporate”), 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
Balapitiya Sri
Rahularama
Purana
Viharastha
Samanera
Akalpa
Sangwardena
Bikshu
Vidyalaya

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Samanera Akalpa Sangwardena Bikshu
Vidyalyaya (Incorporation)
Act, No. 25 of 2023*

(2) The body corporate shall be deemed to be a Voluntary Social Services Organization within the meaning and for the purpose of the Voluntary Social Service Organizations (Registration and Supervision) Act, No. 31 of 1980 and the provisions of that Act shall apply to and in relation to the management of the affairs of the body corporate.

General objects
of the body
Corporate

3. The general objects for which the body corporate is constituted are hereby declared to be to assist the relevant authorities to—

- (a) embed the desired course of conduct of a novice Samanera Bhikku in to the lives of Samanera Bhikku, as a life practice;
- (b) provide knowledge to the Samanera Bhikku in relation to –
 - (i) the basic elements of the life of a novice Samanera Bhikku;
 - (ii) the customs of partaking alms, pindapatha, (gathering alms by visiting households), bathing and sleeping; and
 - (iii) the life of Lord Buddha and selected stories of the Buddha Sasana;
- (c) train the Samanera Bhikku of the correct way of worshipping Buddha, performing Bodhi Puja and uttering Pin Wakya; and
- (d) provide basic knowledge on the subjects of Sinhala Pali, Sanskrit, Tamil and English languages and Mathematics to the Samanera Bhikku.

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Samanera Akalpa Sangwardena Bikshu
Vidyalyaya (Incorporation)
Act, No. 25 of 2023*

patrons and advisers, shall be appointed or elected for a period of three years and any such office bearer, patron or advisor shall be eligible for re-appointment or re-election after lapse of the said period of three years.

(b) In the event of a vacancy occurring due to the death, resignation, incapacity or removal from office of an office bearer, the Committee shall having regard to the rules of the body corporate, elect or appoint a person to fill such vacancy.

(c) The person elected or appointed under paragraph (b) shall hold office only for the unexpired portion of the term of office of the member whom he succeeds.

Powers of the
body corporate

6. Subject to the provisions of this Act and any other written law, the body corporate shall have the power to do, perform and execute all such acts and matters as are necessary or desirable for the promotion or furtherance of the objects of the body corporate or any one of them, including the power—

- (a) to purchase, rent, construct, renovate and otherwise obtain lands or buildings which may be required for the purposes of the body corporate and to deal with or dispose of the same as may be deemed expedient with a view to promoting the objects of the body corporate;
- (b) to enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the body corporate, all such contracts or agreements as may be necessary for the attainment of the objects or the exercise of the powers of the body corporate;
- (c) to borrow or raise funds with or without securities and to receive grants, gifts or donations in cash or kind :

Provided that, the Committee shall obtain the prior written approval of the Department of External Resources in respect of all foreign grants, gifts or donations made to the body corporate;

- (d) 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 accounts in any bank;
- (e) to invest any funds that are not immediately required for the purposes of the body corporate, in such manner as the Committee may determine;
- (f) to undertake, accept, execute, perform and administer any lawful trust having objects similar to the body corporate or any real or personal property with a view to promoting the objects of the body corporate;
- (g) to appoint, employ, dismiss or terminate the services of officers and servants of the body corporate and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities as may be determined by the body corporate;
- (h) to liaise and co-ordinate with other local and foreign institutions having similar objects to that of the body corporate; and
- (i) generally to do all such acts and things for the achievement of the objects of the body corporate.

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Samanera Akalpa Sangwardena Bikshu
Vidyalyaya (Incorporation)
Act, No. 25 of 2023

Rules of the
body corporate

7. (1) It shall be lawful for the body corporate, from time to time at any general meeting of the body corporate 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, admission, withdrawal, expulsion or resignation of members and fees payable by the members;
- (b) the election of office bearers of the Committee or vacation of or removal from office of office bearers and the powers, duties and functions of the office bearers;
- (c) the terms and conditions of appointment, powers, functions and duties of various officers and servants of the body corporate;
- (d) the procedure to be followed for the summoning and holding of meetings of the body corporate and of the Committee or notices and agenda of such meetings, the quorum and the conduct of business thereat;
- (e) the qualifications and disqualifications to be a member of the Committee and the body corporate;
- (f) the administration and management of the property of the body corporate; and
- (g) generally the management of the affairs of the body corporate and the accomplishment of its' objects and dissolution of the body corporate.

(2) Any rule made by the body corporate 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.

(4) For the purposes of 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.

Annual Report

11. (1) The Committee shall prepare a report of the activities of the body corporate for each financial year and submit such report together with the audited statement of accounts certified by the Auditor-General or qualified auditor appointed by the Auditor-General, to the Secretary to the Ministry of the Minister assigned the subject of Education under Article 43 or 44 of the Constitution, as the case may be, and to the Registrar of Voluntary Social Service Organizations appointed under the Voluntary Social Services Organization (Registration and Supervision) Act, No. 31 of 1980 before the expiration of six months of the year succeeding the year to which such report relates.

(2) A separate statement of accounts relating to the foreign and local moneys received by the body corporate during the financial year shall be attached to the report referred to in subsection (1).

Debts due by
and payable to
the vidyalaya

12. All debts and liabilities of the Vidyalaya existing on the day immediately preceding the date of commencement of this Act, shall be paid by the body corporate hereby

constituted and all debts due to and subscriptions and contributions payable to the Vidyalaya on that day shall be paid to the body corporate for the purposes of this Act.

13. Subject to the provisions of this Act and any other written law, the body corporate 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 property shall be held by the body corporate for the purpose of this Act and subject to the rules of the body corporate made under section 7, with power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Body corporate may hold property movable and immovable

14. The moneys and property of the body corporate however derived shall be applied solely towards the promotion of the objects of the body corporate and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or profit or otherwise howsoever to the members of the body corporate.

Application of moneys and property

15. (1) The Seal of the body corporate shall not be affixed to any instrument whatsoever, except in the presence of two members of the Committee, 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 body corporate

(2) The Seal of the body corporate shall be in the custody of an office bearer of the Committee as may be decided by the Committee.

16. (1) If upon the dissolution of the body corporate 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 body corporate,

Property remaining on dissolution

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Samanera Akalpa Sangwardena Bikshu
Vidyalaya (Incorporation)
Act, No. 25 of 2023*

but shall be given or transferred to any other appropriate institution having objects similar to those of the body corporate, and which is by the rules thereof, prohibited from distributing any income or property among its members.

(2) For the purposes of subsection (1) the appropriate institution shall be determined by the members of the body corporate immediately before the dissolution at a general meeting by the majority of votes of the members present.

Saving of the rights of the Republic

17. 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

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**CONFERRING THE HONOUR OF SENIOR
INSTRUCTING ATTORNEYS-AT-LAW
ACT, No. 26 OF 2023**

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*Conferring the Honour of Senior Instructing
Attorneys-at-Law Act, No. 26 of 2023*

[Certified on 01st of November, 2023]

L.D.-O. 13/2023

AN ACT TO PROVIDE FOR THE CONFERMENT OF THE HONOUR OF SENIOR INSTRUCTING ATTORNEYS-AT-LAW WITH A VIEW TO RECOGNIZING AND APPRECIATING THE SERVICE RENDERED BY ATTORNEYS-AT-LAW PRACTICING AS INSTRUCTING ATTORNEYS WHO HAVE DEMONSTRATED EMINENCE AND HIGH STANDARDS IN THE LEGAL PROFESSION; 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 Conferring the Honour of Senior Instructing Attorneys-at-Law Act, No. 26 of 2023.

Short title

2. (1) His Excellency the President may, after obtaining observations from the Chief Justice and the Minister assigned the subject of Justice, and having regard to the guidelines made by the Minister assigned the subject of Justice under section 3, confer the honour of Senior Instructing Attorney-at-Law on any Attorney-at-Law of the Supreme Court of the Democratic Socialist Republic of Sri Lanka who-

Conferring the
honour of
Senior
Instructing
Attorneys-at-
Law

- (a) has been in active practice as an Instructing Attorney for a period not less than twenty years as at the date of conferring such honour;
- (b) has reached eminence in the legal profession and has maintained high standards of conduct and professional rectitude;
- (c) has not been found guilty of any criminal offence under any written law;
- (d) has not been found guilty of any professional misconduct under the Supreme Court (Conduct of and Etiquette for Attorneys-at-Law) Rules 1988 and

2 *Conferring the Honour of Senior Instructing
Attorneys-at-Law Act, No. 26 of 2023*

the provisions of the Judicature Act, No. 2 of 1978;
and

(e) has been a person of good character and repute.

(2) His Excellency the President shall, upon conferring the honour of Senior Instructing Attorney-at-Law to any Instructing Attorney, hand over a certificate to that effect to such Instructing Attorney.

(3) An Attorney-at-Law to whom a certificate has been handed over under subsection (2), may use the post-nominal title "SIA".

Minister to make
guidelines

3. (1) The Minister assigned the subject of Justice shall, from time to time, make guidelines relating to the conferment of the honour of Senior Instructing Attorneys-at-Law for the purposes of this Act.

(2) The guidelines made by the Minister under subsection (1) 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 therein.

Interpretation

4. In this Act, unless the context otherwise requires-

"Instructing Attorney" means an Attorney-at-Law whose main practice is to instruct a Counsel to appear in court on the instructions of such Attorney-at-Law.

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.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
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**FISHERIES AND AQUATIC RESOURCES (AMENDMENT)
ACT, No. 27 OF 2023**

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Fisheries and Aquatic Resources (Amendment)
Act, No. 27 of 2023

[Certified on 17th of November, 2023]

L.D.–O. 1/2021

AN ACT TO AMEND THE FISHERIES AND AQUATIC RESOURCES
ACT, NO. 2 OF 1996

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

1. This Act may be cited as the Fisheries and Aquatic Resources (Amendment) Act, No. 27 of 2023. Short title

2. Section 14F of the Fisheries and Aquatic Resources Act, No. 2 of 1996 (hereinafter referred to as the “principal enactment”) is hereby repealed and the following new section is substituted therefor: - Replacement of section 14F of Act, No.2 of 1996

“Prohibition of fishing in foreign waters” 14F. (1) A person shall not use, or cause to be used, a local fishing boat to which a licence is granted under this Part, for fishing operations in waters within the national jurisdiction of another State, unless authorized to do so in accordance with the laws of that State.

(2) A person who contravenes the provisions of subsection (1) shall be guilty of an offence under this Act.

(3) For the purpose of this section, a person shall include the owner of the boat, the holder of the licence issued in respect of such boat, the skipper of the boat, any member of the crew and any person on board of such boat at the time of the commission of such offence:

Provided however, any such person shall not be deemed to be guilty of an offence if such person proves that such offence was

2 *Fisheries and Aquatic Resources (Amendment)*
Act, No. 27 of 2023

committed without the knowledge of such person and that he exercised all due diligence to prevent the commission of such offence.”.

Insertion of new PART II B in the principal enactment

3. The following new part is hereby inserted immediately after PART II A of the principal enactment and shall have effect as PART II B of that enactment:-

“PART II B

Prohibition of Illegal, Unreported or Unregulated fishing in Sri Lanka Waters or High Seas

14o. (1) A person shall not engage in any Illegal, Unreported or Unregulated fishing operations in Sri Lanka Waters or High seas.

(2) A person who contravenes the provisions of subsection (1) shall be guilty of an offence under this Act.

(3) For the purpose of this section, a person shall include the owner of the boat, the holder of the licence issued in respect of such boat, the skipper of the boat, any member of the crew and any person on board of such boat at the time of the commission of such offence:

Provided however, any such person shall not be deemed to be guilty of an offence if such person proves that such offence was committed without the knowledge of such person and that he exercised all due diligence to prevent the commission of such offence.

Cancellation etc., of registration of fishing boats and the license for fishing operations

14p. The Director- General may, where he has reasonable grounds to believe that any person is engaged in any Illegal, Unreported or Unregulated fishing operations in waters within the jurisdiction of another State, and the fishing boat used for such operations is a local fishing boat registered under section 15,

Fisheries and Aquatic Resources (Amendment) Act, No. 27 of 2023 3

he may, after affording such person or the owner of such boat, as the case may be, an opportunity of being heard-

- (a) cancel or suspend for such period as may be determined by him, the registration of such boat as a local fishing boat under section 15; and
- (b) cancel or suspend for such period as may be determined by him, any licence issued in respect of that fishing boat, under section 6 or section 14A, as the case may be, authorizing the licensee to engage in any prescribed fishing operations in Sri Lanka Waters or the High Seas, as the case may be.”.

4. Section 16A of the principal enactment is hereby repealed.

Repeal of section 16A of the principal enactment

5. Section 49 of the principal enactment is hereby amended as follows: -

Amendment of section 49 of the principal enactment

- (1) in subsection (4) of that section, by the substitution for all the words from “shall be guilty of an offence” to the end of that section, of the following: -

“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 less than the amounts specified in Column II of the Schedule hereto which shall be determined by taking into consideration the length of the fishing boat specified in corresponding entry in the Column I of the said Schedule:-

4 *Fisheries and Aquatic Resources (Amendment)*
Act, No. 27 of 2023

SCHEDULE

<i>Column I</i> <i>Length of a boat</i>	<i>Column II</i> <i>Fines</i>
10.3 to less than 15 meters	Rupees 50,000
15 to less than 24 meters	Rupees 100,000
24 to less than 45 meters	Rupees 500,000
45 to 75 meters	Rupees 1 Million
More than 75 meters	Rupees 5 Million.”.

- (2) by the insertion immediately after subsection (4) of that section of the following subsection: -

“(4A). Notwithstanding anything contained in subsection (4), any person who is a party to a fishing dispute not involving a fishing boat fails to appear before an authorized officer when summoned to do so under subsection (2) of section 44 or being a party to a settlement not involving a fishing boat entered under subsection (3) of section 44 fails to comply with the terms of such settlement 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.”.

Insertion of new sections 49B and 49C in the principal enactment

6. The following new sections are hereby inserted immediately after section 49A of the principal enactment and shall have effect as sections 49B and 49C of the principal enactment: -

“Penalty for Illegal, Unreported or Unregulated fishing in Sri Lanka Waters or High Seas 49B. Any person who contravenes or fails to comply with the provisions of section 14o of this Act shall be guilty of an offence under this Act and if no penalty is expressly provided for such offence in the Act, shall on conviction after summary trial by a Magistrate be liable to a fine not less than one hundred thousand rupees.

Fisheries and Aquatic Resources (Amendment) Act, No. 27 of 2023 5

Penalty for offences for which no penalty is expressly provided

49C. Subject to the provisions of section 49B, any person who contravenes or fails to comply with any provision of this Act (other than any regulation made under this Act,) in respect of which no penalty is expressly provided for, 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.”.

7. Section 66 of the principal enactment is hereby amended as follows: -

Amendment of section 66 of the principal enactment

- (1) in the definition of the expression “authorized officer” by the substitution for the words “Sergeant and any officer of the Navy not below the rank of Petty Officer” of the words and figures “Sergeant, any officer of the Navy not below the rank of a Petty Officer or any Coast Guard officer of the Department of Coast Guard established by the Department of Coast Guard Act, No. 41 of 2009;”;
- (2) by the insertion immediately after the definition of “High Seas” of the following new definition: -

“ “Illegal, Unreported and Unregulated (IUU) Fishing Operations mean-

With regard to Illegal Fishing, Fishing Operations conducted by-

- (a) local or foreign fishing boats in Sri Lanka Waters in contravention of any law or any regulation made under this Act;
- (b) any local fishing boat in the High Seas in contravention of any laws or any regulation made under this Act,

6 *Fisheries and Aquatic Resources (Amendment)*
Act, No. 27 of 2023

including any regulation made to implement conservation and management measures adopted by the Indian Ocean Tuna Commission or other Fisheries Management Organization to which Sri Lanka is a party;

- (c) any local fishing boat in waters under the jurisdiction of another State, without the permission of such State;
- (d) any fishing boat flying the flag of any foreign State, which is a party to the Indian Ocean Tuna Commission or another Regional Fisheries Management Organisation to which Sri Lanka is also a party, in Sri Lanka Waters, operating in contravention of regulations made under this Act implementing-
 - (i) the conservation and management measures adopted by the Indian Ocean Tuna Commission or such other Regional Fisheries Management Organization; or
 - (ii) the relevant provisions of any international agreement or obligations undertaken by Sri Lanka,

as the case may be;

with regard to Unreported Fishing, Fishing Operations-

which have not been reported, or have been misreported to the Director-General in contravention of the prescribed reporting procedures under this Act or any regulation made hereunder, including any regulation that may be made by the Minister under this Act implementing any reporting procedures of the Indian Ocean Tuna Commission or any other Regional Fisheries Management Organisation to which Sri Lanka is a party or the relevant provisions of any international agreement or obligations undertaken by Sri Lanka, in the area of competence of the Indian Ocean Tuna Commission or any other Regional Fisheries Management Organisation or such other area, as the case may be;

with regard to Unregulated Fishing, Fishing Operations-

- (a) in the area of competence of the Indian Ocean Tuna Commission or any other Regional Fisheries Management Organisation to which Sri Lanka is a party conducted by a fishing boat without nationality or flying the flag of a State that is not a party to Indian Ocean Tuna Commission or such other Regional Fisheries Management Organisation, in a manner that is not consistent with or contravenes the conservation and management measures of the Indian Ocean Tuna Commission or such other Regional Fisheries Management Organisation, implemented by any regulation made under this Act;

8 *Fisheries and Aquatic Resources (Amendment)*
Act, No. 27 of 2023

(b) in areas or for fish stocks in relation to which there are no applicable conservation or management measures and where such fishing activities are conducted in a manner inconsistent with the responsibilities of Sri Lanka for the conservation of living marine resources under international law to the extent set out in any regulation made under this Act;";

(3) by the insertion immediately after the definition of "sedentary species" of the following new definition:-

““Skipper” means the person who is in command of a fishing vessel and provides instructions on the route, estimate and record of catch and manages the crew onboard. The master or captain on board is also considered as serving in the capacity of a skipper.”.

Sinhala text to prevail in case of inconsistency

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**ANTI - CORRUPTION (AMENDMENT)
ACT, No. 28 OF 2023**

[Certified on 17th of November, 2023]

Printed on the Order of Government

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This Act can be downloaded from www.documents.gov.lk



*Anti - Corruption (Amendment)
Act, No. 28 of 2023*

[Certified on 17th of November, 2023]

L.D.-O. 65/2023

AN ACT TO AMEND THE ANTI-CORRUPTION
ACT, NO. 9 OF 2023

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 Anti-Corruption (Amendment) Act, No.28 of 2023.</p> | <p>Short title</p> |
| <p>2. The sections of the Anti-Corruption Act, No. 9 of 2023 specified in <i>Column I</i> of the Schedule hereto are hereby amended by the substitution for the words specified in the corresponding entry in <i>Column II</i>, of the words specified in the corresponding entry in <i>Column III</i> of that Schedule.</p> | <p>Amendment of certain sections of the Act, No. 9 of 2023 specified in the Schedule</p> |
| <p>3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.</p> | <p>Sinhala text to prevail in case of inconsistency</p> |

SCHEDULE

[Section 2]

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>Sections Amended</i>	<i>Repeal</i>	<i>Insert</i>
4(1)	Constitutional Council	Constitutional Council
4(2)(g)	Constitutional Council	Constitutional Council
4(3)	Constitutional Council	Constitutional Council
7(2)	Constitutional Council	Constitutional Council
8(2)	Constitutional Council	Constitutional Council
10(1)	Constitutional Council	Constitutional Council
17(1)	Constitutional Council	Constitutional Council
17(2)	Constitutional Council	Constitutional Council
21	Constitutional Council	Constitutional Council
23(3)	Constitutional Council	Constitutional Council
80(1)(k)	Constitutional Council	Constitutional Council

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

**CIVIL PROCEDURE CODE (AMENDMENT)
ACT, No. 29 OF 2023**

[Certified on 17th of November, 2023]

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Civil Procedure Code (Amendment)
Act, No. 29 of 2023

[Certified on 17th of November, 2023]

L.D.-O 63/2021

AN ACT TO AMEND THE CIVIL PROCEDURE CODE (CHAPTER 101)

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

1. This Act may be cited as the Civil Procedure Code (Amendment) Act, No. 29 of 2023. Short title

2. Section 5 of the Civil Procedure Code (Chapter 101) (hereinafter referred to as the “principal enactment”) is hereby amended by the insertion, immediately after the definition of the expression “decree”, of the following new definitions:- Amendment of
section 5 of
Chapter 101

“document” includes a document in electronic form;

“document in electronic form” includes -

- (a) any information consisting of any contemporaneous recording or reproduction thereof or any information contained in a statement produced by a computer within the meaning of the Evidence (Special Provisions) Act, No. 14 of 1995;
- (b) any information contained in a data message, electronic document, electronic record, electronic communication or other information or transaction in electronic form within the meaning of the Electronic Transactions Act, No. 19 of 2006;
- (c) such other document or information or record or communication or transaction in electronic form that may be specified by any other written law;

2 *Civil Procedure Code (Amendment)*
Act, No. 29 of 2023

- (d) such other document or information or record or communication that is stored on devices, servers and back-up systems in any medium that encompasses computer technology or any such document or information or record or communication that has been deleted; or
- (e) any metadata and other embedded data which is not typically visible on a computer screen or print out;”.

Amendment of section 18 of the principal enactment

3. Section 18 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “before the hearing,” of the words “before the day first fixed for the pre-trial conference.”.

Amendment of section 22 of the principal enactment

4. Section 22 of the principal enactment is hereby amended as follows:-

- (1) by the substitution for the words “before the hearing.” of the words “before the day first fixed for pre-trial conference.”; and
- (2) by the repeal of the marginal note thereof and substitution therefor of the following marginal note:-

“Objections for non-joinder or mis joinder to be taken before the day first fixed for pre-trial conference.”.

5. Chapter XA (section 79A) of the principal enactment is hereby repealed and the following Chapter is substituted therefor: -

Replacement of Chapter XA in the principal enactment

“CHAPTER XA

FIXING DAY OF PRE-TRIAL CONFERENCE

Date for pre-trial conference order

79A. The court shall-

- (a) upon the filing of the answer; or
- (b) where a replication is permitted, on the last day of the period of time allowed for the filing of the replication, whether such replication is filed or not,

appoint a date not less than three months and not exceeding five months from such date, for pre-trial conference to be commenced, either in the presence of all parties to the action or such parties as are present.”.

6. The following new Chapter is hereby inserted immediately after Chapter XA of the principal enactment and shall have effect as Chapter XB of that enactment: -

Insertion of new Chapter XB in the principal enactment

“CHAPTER XB

PRE-TRIAL STEPS TO BE TAKEN BEFORE THE PRE-TRIAL CONFERENCE

Pre-trial steps to be taken before the date fixed for the pre-trial conference

79B. The parties shall, in addition to any other pre-trial step that may be taken by such parties before the case is fixed for pre-trial conference, tender -

- (a) their proposed admissions and issues of fact and law in writing;

- (b) (i) lists of witnesses to be called by such parties at the trial; and
- (ii) lists of documents relied upon by such parties and to be produced at the trial;
- (c) copies of documents listed in the lists of documents which are in the possession of or under the control of such parties,

to the registry of the court, not less than thirty days before the date first fixed for the pre-trial conference and after giving notice to all other parties with proof of service thereof.

Tendering of documents in electronic form

79c. (1) Notwithstanding anything to the contrary contained in the Evidence (Special Provisions) Act, No. 14 of 1995, Electronic Transactions Act, No. 19 of 2006 or any other written law, where any party proposes to tender any document in electronic form, the provisions of this section shall apply in relation to the tendering of such documents.

(2) Any party proposing to tender documents in electronic form shall, not less than thirty days before the date first fixed for pre-trial conference, file in court, after giving notice to the opposing party or parties –

- (a) the list of such documents in electronic form together with an index thereof; and

(b) a copy or copies of such documents as is sufficient to enable the party to understand the nature of such evidence.

(3) Any party to whom a notice has been given under subsection (2) may, within fifteen days of the receipt of such notice apply for permission from the party giving such notice, to access and inspect -

(a) the documents in electronic form, sought to be tendered in court under subsection (2);

(b) the machine, device, computer or information system, as the case may be, used to produce, reproduce, generate, create, send, receive, store, display, communicate or process the documents in electronic form referred to in paragraph (a); and

(c) any records relating to the production, reproduction, generation, creation, sending, receipt, storage, display, communication or processing of the documents referred to in paragraph (a).

(4) Upon receipt of an application for permission to access and inspection under subsection (3), the party proposing to tender such documents in electronic form shall, within reasonable time, but not later than fifteen days after the receipt of such application, provide a

reasonable opportunity to the party applying or his agents or nominees, to have access to, and inspect such documents in electronic form, machine, device, computer, information system or records referred to in the application.

(5) Where –

- (a) the party proposing to tender documents in electronic form is unable to give permission or does not give permission for access and inspection as applied for under subsection (3); or
- (b) the parties are unable to agree on any matter relating to -
 - (i) the notice given under subsection (2); or
 - (ii) an application for access and inspection made under subsection (3) or the manner and extent of such access and inspection,

the court may on application made by either party, make such order or give such direction, as the interest of the justice may require.

(6) The time period referred to in subsection (3) or (4) may be extended at the discretion of the court, based on the special circumstances of each case.

(7) Where any party proposing to tender any document in electronic form under this section –

- (a) fails to give notice under subsection (2);
- (b) upon application being made for access and inspection under subsection (3), fails to provide a reasonable opportunity therefor; or
- (c) fails to comply with any order or direction given by court under subsection (5),

such party shall not be permitted to tender such documents in electronic form, in respect of which the failure was occasioned:

Provided however, the steps or applications referred to in this Chapter shall be followed prior to the conclusion of the pre-trial conference.

(8) Where any party objects to the admissibility of any document in electronic form tendered under this section, such party shall file in court, objections with reasons therefor in writing with copies to all other parties, either before the pre trial conference or at the pre trial conference, as the case may be.

(9) Where any party files objections under subsection (8), the court shall hear the parties to ascertain whether the parties can admit such

8 *Civil Procedure Code (Amendment)*
Act, No. 29 of 2023

documents in electronic form, and where no such admission is recorded, the court shall make an appropriate pre-trial order under section 142B with regard to the admissibility of such documents at the pre-trial conference.”.

Replacement
of section 80
of the
principal
enactment

7. Section 80 of the principal enactment is hereby repealed and the following section is substituted therefor: -

”Fixing the
case for trial

80. (1) After the issues are settled and the Judge conducting the pre-trial conference is satisfied that the case is ready for trial, the Judge shall forthwith appoint a date not later than fourteen days from the date of the conclusion of the pre-trial conference for the case to be called in order to fix a date for the trial, in the trial court.

(2) The trial shall be conducted by a Judge appointed for such purpose, other than the Judge who conducted the pre-trial conference:

Provided that, where a Judge has not been separately appointed to conduct the pre-trial conference, the Judge who has been appointed for such court shall conduct both pre-trial conference and the trial of such action.

(3) The Judge who is fixing the case for trial may, in any appropriate case, fix several dates for trial.”.

- | | |
|---|--|
| <p>8. Section 80A of the principal enactment is hereby repealed.</p> | <p>Repeal of section 80A of the principal enactment</p> |
| <p>9. Section 93 of the principal enactment is hereby amended, as follows:-</p> <p>(1) by the substitution, in subsection (1) thereof, for the words “first fixed for Pre-Trial of the action” of the words “first fixed for pre-trial conference of the action”; and</p> <p>(2) by the substitution, in subsection (2) thereof, for the words “first fixed for Pre-Trial of the action” of the words “first fixed for pre-trial conference, of the action”.</p> | <p>Amendment of section 93 of the principal enactment</p> |
| <p>10. Section 94 of the principal enactment is hereby amended, by the substitution, in subsection (1) thereof, for the words “Any party may at any time before hearing,” of the words “Any party may, fifteen days before the date first fixed for the pre-trial conference,”.</p> | <p>Amendment of section 94 of the principal enactment</p> |
| <p>11. Section 101 of the principal enactment is hereby amended, by the substitution, in subsection (1) thereof, for the words “on motion <i>ex-parte</i> within a reasonable time not less than ten days before the hearing,” of the words “on motion <i>ex-parte</i> not less than fifteen days before the date first fixed for the pre-trial conference,”.</p> | <p>Amendment of section 101 of the principal enactment</p> |
| <p>12. Section 102 of the principal enactment is hereby amended, by the substitution, in subsection (1) thereof, for the words “party to the action may, at any time before the hearing,” of the words “parties to the action may, fifteen days before the date first fixed for the pre-trial conference”.</p> | <p>Amendment of section 102 of the principal enactment</p> |

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Act, No. 29 of 2023

Amendment
of section
103 of the
principal
enactment

13. Section 103 of the principal enactment is hereby amended as follows:-

- (1) by the re-numbering of that section as subsection (1) thereof;
- (2) by the substitution, in the re-numbered subsection (1) thereof, for the words “order the production by any party” and “when produced in such manner”, of the words “order the production or preservation by any party” and “when produced or preserved in such manner”, respectively;
- (3) by the insertion, immediately after the re-numbered subsection (1) thereof, of the following new subsections:-

“(2) A party intending to institute any proceeding before court may, prior to the institution of such proceedings, make an application *ex parte*, by way of petition supported by an affidavit, for an order to be made requiring a person or entity having possession of any document in electronic form, who shall be made the respondent in such application, to preserve, disclose or produce such document, as may be specified in such order.

(3) The court may, upon the receipt of an application under subsection (2), make an order as prayed for in such application, if –

- (a) the person or entity against whom an order is sought is likely to be a party to the proceeding to be instituted subsequently;
- (b) the applicant is also likely to be a party to such proceeding to be instituted subsequently;

- (c) the document in electronic form sought to be preserved, disclosed or produced is relevant to the matter in dispute in respect of which the proceedings are intended to be instituted and is in the possession or control of such respondent;
- (d) the duty to preserve, disclose or produce any electronic document upon the receipt of such order extends to the document in electronic form of which the applicant seeks preservation, disclosure or production, if proceedings had commenced against such person or entity;
- (e) preservation, disclosure or production of such document in electronic form is desirable in order to –
 - (i) dispose the intended proceedings in a fair manner;
 - (ii) assist the dispute to be resolved without proceedings; or
 - (iii) save costs.

(4) Any person who or entity which receives an order made under subsection (3) shall have a duty to comply therewith and in the event of non-compliance, such person or entity shall be guilty of the offence of contempt of court.

(5) Any party to any proceeding pending before a court may, not less than forty-five days before the date first fixed for the pre-trial conference, make an

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Act, No. 29 of 2023

application for an order to be made requiring any other party to such action to preserve, disclose or produce any relevant document in electronic form, as may be specified in such order.

(6) Any party making an application under subsection (5) of this section shall –

- (a) describe with reasonable particularity each item or category of items to be preserved or disclosed or produced; and
- (b) specify the manner of preservation, disclosure or production and by whom such preservation, disclosure or production is to be performed.

(7) A party who receives an order made under subsection (5) shall have a duty to comply therewith and in the event of non-compliance, the court may–

- (a) where the restoration of such document in electronic form is possible, order for the restoration of the same and award costs;
- (b) where the restoration of the document in electronic form is not possible and where the court is of the opinion that prejudice has been caused to the party making the application, due to the loss of such document and that non-complying party has acted with the intention of depriving the use of such document by the other party-
 - (i) impose costs in a sum as may be deemed reasonable by the court; or

- (ii) where the prejudice cause cannot be cured by way of costs, in case of a plaintiff, order to have his action dismissed for want of prosecution, and in case of a defendant, to have his defence, if any, struck out, and to be placed in the same position as if he had not appeared and answered.

(8) A party or person failing to comply with an order made under subsection (5) of this section shall not be entitled to produce any such document in electronic form in evidence on his behalf in such action, unless he satisfies the court that such electronic document relates only to his own title, or that he had some other sufficient cause for not complying with such order.

(9) A party to any proceeding may make an application *ex-parte* by way of a petition supported by an affidavit, not less than forty-five days before the date fixed for pre-trial conference, for an order to be made requiring any person or entity who is not a party to such proceeding, to preserve, disclose, or produce any document in electronic form in the possession or control of such person or entity. The person or entity against whom such order is sought shall only be made the respondent in such application.

(10) Upon receipt of an application under subsection (9), the court may make an order as prayed for in such application, if –

Civil Procedure Code (Amendment)
Act, No. 29 of 2023

- (a) the document in electronic form of which the preservation, disclosure or production is sought is likely to support the case of the applicant or adversely affect the case of any party to such proceeding;
- (b) preservation, disclosure or production is necessary in order to disprove the claim in a fair manner or to save costs.

(11) An order made under subsection (10) may-

- (a) specify the documents in electronic form which the respondent is required to preserve, disclose or produce;
- (b) if relevant, specify the time and place of preservation, disclosure or production to take place;
- (c) specify the format or formats in which document in electronic form is to be produced; and
- (d) require the respondent, when making preservation or disclosure, to specify the documents, if any, which are or not in his control or possession with reasons therefor.

(12) Any person or entity who fails to comply with an order made under subsection (10), shall be guilty of the offence of contempt of court.

(13) Where a person, entity or party from whom preservation, disclosure or production of a document is sought under subsection (2), (5) or (9)

objects to such preservation, disclosure or production from the source of such document for not being reasonably accessible due to the burden of cost, the court may limit the extent of such preservation, disclosure or production otherwise allowed under the said subsections where –

- (a) the preservation, discovery or production sought is unreasonably cumulative, duplicative, disproportionate or excessive to the material facts of the case;
- (b) the requested document in electronic form can be obtained from any other source which is more convenient, less burdensome or less expensive;
- (c) the party seeking preservation, disclosure or production has had ample opportunity to obtain such document by discovery in the action; or
- (d) the requested document in electronic form is irrelevant or not proportionate to the issues in dispute or the party's resources or the burden of expense of the proposed discovery outweighs the possible benefits and importance in resolving the issues:

Provided however, the court may order preservation, disclosure or production from the sources of such document in electronic form, if the party making the application for preservation, disclosure or production is able to show good cause, subject to such limitations as may be imposed by the court.

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Act, No. 29 of 2023

(14) Unless otherwise agreed or ordered, electronic copies of the disclosed documents in electronic form shall be produced –

- (a) in their native format;
- (b) in a manner which preserves metadata relating to the date of creation of each such document; and
- (c) organised and labeled in a manner that corresponds with the categories of such documents as requested.”; and

(4) by the repeal of the marginal note thereof and the substitution therefor of the following marginal note:-

“Orders for preservation, disclosure or production of documents or documents in electronic form.”.

Amendment of section 104 of the principal enactment

14. Section 104 of the principal enactment is hereby amended, by the substitution in subsection (1) thereof, for the words “party to an action may, at any time before or at the hearing thereof,” of the words “party to an action may, fifteen days before the date first fixed for the pre-trial conference thereof,”.

Insertion of new section 104A in the principal enactment

15. The following new section is hereby inserted immediately after section 104 of the principal enactment and shall have effect as section 104A of that enactment: -

”Protective orders

104A. A party, person or an entity against whom the discovery, production or preservation of a document or document in electronic form is sought, may apply for a protective order to the court within which such action is pending. The court may, for good cause, make one or more of the following orders to protect any such document or the interests of a person, entity or party: -

- (a) prohibiting the disclosure or discovery;
- (b) specifying terms, including the time, place, forms and manner of the disclosure or discovery;
- (c) prescribing a discovery method other than the one selected by the party seeking discovery;
- (d) prohibiting inquiry into certain matters or limiting the scope of disclosures or discovery to other matters;
- (e) designating persons or experts who may be present while the discovery is conducted;
- (f) appointing persons or experts who shall conduct the disclosure, discovery, preservation, inspections, keep custody, examination, analysis, reporting and presenting them in court;

- (g) directing that a confidential research, development or trade secret or undisclosed or confidential information of commercial nature not to be disclosed or disclosed only in a specified manner; or
- (h) directing that a document in relation to undisclosed confidential research, development or trade secret or undisclosed or confidential information of commercial nature not to be disclosed or disclosed only in a specified manner.”.

Amendment of section 109 of the principal enactment

16. Section 109 of the principal enactment is hereby amended, by the substitution, in subsection (1) thereof, for the words “interrogatories, or for discovery, production, or inspection, which” of the words “interrogatories, or for discovery, production, inspection, preservation or protection, which”.

Replacement of section 117 of the principal enactment

17. Section 117 of the principal enactment is hereby repealed and the following section is substituted therefor:-

“Provisions as to documents apply to other material objects and documents in electronic form **117.** The provisions of this Chapter as to documents shall, *mutatis mutandis*, apply to all other material objects producible as evidence and to all documents in electronic form, to the extent not inconsistent with the provisions of this Chapter.”.

Amendment of section 121 of the principal enactment

18. Section 121 of the principal enactment is hereby amended, by the repeal of subsection (2) thereof.

19. Chapter XVIII (sections 142A, 142B, 142C, 142D, 142E, 142F, 142G, 142H and 142I) of the principal enactment is hereby repealed and the following Chapter is substituted therefor: -

Replacement
of Chapter
XVIII of the
principal
enactment

“CHAPTER XVIII

PRE -TRIAL CONFERENCE AND PRE-TRIAL ORDERS

Pre-trial
conference **142A.** (1) The court shall conduct a pre-trial conference with the Attorneys-at-law representing the parties and the parties not so represented, for the following purposes :-

- (a) to facilitate a settlement between the parties as specified in subsection (2), ensuring that the matters not so settled shall only be fixed for trial;
- (b) to expedite the disposition of the action through judicial case management;
- (c) improving the quality of the trial through prior preparation and case management orders so that the action will not be protracted due to lack of trial management;
- (d) to identify the key issues at an early stage, in order to discourage unnecessary pre-trial applications;
- (e) to facilitate the discovery of evidence;

- (f) to identify the witnesses and documents and avoid unnecessary production of evidence at the trial; and
- (g) to fix strict time limits for pre-trial orders and enforcement thereof.

(2) (a) The Judge shall, at the pre-trial conference, make every effort to persuade the parties to arrive at a settlement of the dispute and where the parties agree for a settlement, such settlement shall be recorded and signed by the parties and an order shall be made in accordance with the terms of such settlement.

(b) The Judge in an appropriate case, may direct the parties to appear either in person or in the case of a party being a legal person, an authorized representative thereof to be present at the pre-trial conference in order to facilitate a settlement, adjustment, compromise or other agreements.

(3) The judge at the pre-trial conference may determine unresolved jurisdictional and legal issues.

Pre-trial
orders

142B. Subject to the provisions of section 104A, the Judge shall, at the pre-trial conference, discuss with the parties, and make appropriate pre-trial orders on the following matters: -

- (a) identifying and obtaining admissions of facts or documents;

- (b) identifying the number of witnesses to be called at the trial based on the relevancy and admissibility to the case and dispensing with calling of unnecessary witnesses;
- (c) identifying the documents to be produced at the trial based on the relevancy, admissibility, to the case and authenticity of documents and in appropriate instances dispense with proof of such documents;
- (d) with regard to the discovery, inspection, protection, preservation and production of documents and tangible things including specification of terms, time, place, manner and form in which such documents and tangible things to be discovered, protected, preserved and produced in court and authentication of documents and signatures;
- (e) the protection of trade secrets, other confidential research information and undisclosed commercial information subject to privileges and limitations;
- (f) issuing of certified copies of documents in the custody of any public office, public corporation, provincial council, local authority, bank, body incorporate or

unincorporate, partnership, hospital, medical institute, court, tribunal or any such similar institution:

Provided that, the provisions of this paragraph shall not prejudice the right of the State to withhold any document on the ground that in the opinion of the Minister assigned in terms of Article 44 or 45 of the Constitution the subject to which the document relates, the public interest would suffer by such disclosure;

- (g) upon the agreement of the parties, issuing of commissions to a single, joint or court appointed independent experts to inquire and report on any question of fact and express an opinion thereof:

Provided that, any application for the issue of a commission for local investigation as referred to in Chapter XXIX shall be made prior to the day first fixed for the pre-trial conference:

Provided further, that the court may, in its discretion, issue a commission for such local investigation after the day first fixed for pre-trial conference if it is satisfied, for reasons to be recorded and subject to terms as to costs or otherwise, that a commission is

necessary for the determination of the matters in dispute or settlement of the dispute between the parties;

- (h) recording of any agreement of parties with regard to any matter, including any issues of facts or law, mode of proof of any fact or document or the number of witnesses to be called or number of documents to be produced at the trial, and entering of orders or judgment in accordance with such agreement of parties:

Provided that, the court shall read out and explain the effect of such agreement to the parties concerned and record the fact that the parties understand the contents of such agreement and the effect thereof and the parties shall sign the agreement or the case record where such agreement is recorded orally in open court;

- (i) consolidating two or more actions, subject to the provisions of section 149A;
- (j) withdrawal of actions;
- (k) the use of technology or employing a special interpreter at the trial;

- (l) identifying the number of trial dates or period within which a trial may be concluded and how the time available for the trial will be used; or
- (m) any other step as may be necessary or desirable for the just and expeditious disposal of the action.

Parties to be ready with original documents

142c. The parties or their registered attorneys shall, at the pre-trial conference, bring with them and have in readiness at the pre-trial conference, original or certified copies of all documents specified in the list of documents and tendered to the registry of the court under section 79B.

Permission of court to call additional witnesses and additional documents identified or discovered at pre-trial conference

142d. (1) The court shall, at the pre-trial conference, on application of any party, grant permission to such party, to call any witness or produce any document at the trial, if such witness or document is identified at such conference to be relevant to the matters in dispute, notwithstanding such witness or document not being included in the list of witnesses or documents filed under paragraph (b) of section 79B:

Provided that, the pre-trial Judge may award costs against the party seeking to tender documents or summon witnesses which had not been included in the list filed under paragraph (b) of section 79B unless such party can adduce sufficient reasons for the failure to include such documents or witnesses in the said list.

(2) The court may, at its discretion, grant permission at the pre-trial conference, to any party to produce any document at the trial and call any witness in proof thereof, if such document is discovered under Chapter XVI relevant to the matters in dispute.

(3) Where the court grants permission to call any additional witness or document under subsection (1) or (2), the court shall, at the pre-trial conference, record the fact that such party is entitled to call such witness or produce such document at the trial and no further list of witnesses or documents is required to be filed thereafter.

Pre-trial steps not to be allowed after fixing the date of trial

142E. Subject to the provisions of this Act, any application for pre-trial steps shall not be allowed after the conclusion of the pre-trial conference of an action unless the court is satisfied for reasons to be recorded and subject to costs that a grave and irremediable injustice would be caused if such steps are not permitted and the party applying for such steps is not guilty of laches.

Determination of issues

142F. (1) Where the judge is satisfied that all the pre-trial steps have been taken, the Judge shall determine the issues, taking into consideration the pleadings, proposed admissions and issues of the parties, interrogatories, documents, agreement of the parties and reports if any, submitted to court during the pre-trial conference.

(2) Where issues both of law and facts arise in the same action, and the court is of the opinion that the case may be disposed of on the issues of law only, the court shall try such issues first and for that purpose the court may, if it thinks fit, postpone the settlement of the issues of fact until after the issues of law have been determined.

Advancement
or
postponement
of pre-trial

142G. The Judge conducting the pre-trial conference may, either on his own motion or on the application of any party and for sufficient cause shown, advance or postpone the date fixed for the pre-trial conference:

Provided that, the Judge conducting the pre-trial conference shall conclude the hearing within four months from the commencement of such conference, unless the Judge is prevented from acting accordingly for reasons which shall be recorded, including delays in adducing evidence or discoveries.

Default of
parties

142H. Where any party-

- (a) fails to diligently take steps according to the provisions of Chapters XB and this Chapter or diligently prosecute or defend the case during the pre-trial conference or fails to comply with any pre-trial order without any reasonable ground; or
- (b) fails to appear without sufficient cause on the day fixed for the pre-trial conference or on any other day to which it is adjourned,

the Judge conducting the pre-trial conference may, taking into consideration all appropriate circumstances -

- (i) subject to the payment of costs or pre-payment of costs, make such appropriate order as he may think fit, including, directing such party to comply with the requirement which was not complied with, unless such non-compliance was substantially justified;
- (ii) continue further proceedings notwithstanding such default was made by any party who has obtained any pre-trial order, disregarding any such pre-trial order and upon such terms as to costs being awarded against such defaulting party; or
- (iii) proceed to dispose of the action in one of the methods specified in Chapter XII:

Provided that, the Judge shall make every endeavor to make orders in terms of paragraph (i) or (ii), prior to an order being made under paragraph (iii), unless a party is absent and unrepresented at the pre-trial conference.”.

20. Section 175 of the principal enactment is hereby amended as follows :-

Amendment
of section
175 of the
principal
enactment

- (1) by the substitution in subsection (1) thereof, for the words “as provided by section 121:” of the words “as provided by subparagraph (i) of paragraph (b) of section 79B or permitted by court under section 142D:”
- (2) by the substitution, in subsection (2) thereof, for the words “as provided by section 121 and which is not so included” of the words “as provided by subparagraph (ii) of paragraph (b) of section 79B and which is not so included or not permitted by court under section 142b”; and
- (3) by the insertion, immediately after subsection (2) thereof, of the following subsection: -

“(3) Where an order is made under this section, the court shall take into consideration any order made under section 142B.”.

Transitional provisions

21. Notwithstanding the repeal of Chapter XA (section 79A), Chapter XVIIIA (sections 142A, 142B, 142C, 142b, 142E, 142F, 142G, 142H, and 142I) and section 80A of the principal enactment (in this section referred to as the “repealed provisions”), all actions and matters filed in the District court and pending on the day immediately preceding the date of commencement of this Act, in respect of which –

- (a) a date for pre-trial hearing has already been fixed;
or
- (b) any pre-trial step has already been taken under the repealed Chapter XVIIIA,

shall be dealt with under the repealed provisions.

Sinhala text to prevail in case of inconsistency

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

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GOVERNMENT PRINTING, NO. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**LOCAL AUTHORITIES ELECTIONS (AMENDMENT)
ACT, No. 30 OF 2023**

[Certified on 17th of November, 2023]

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Local Authorities Elections (Amendment)
Act, No. 30 of 2023

[Certified on 17th of November, 2023]

L.D.—O. 44/2022

AN ACT TO AMEND THE LOCAL AUTHORITIES ELECTIONS ORDINANCE
(CHAPTER 262)

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 Local Authorities Elections (Amendment) Act, No. 30 of 2023.</p> <p>2. Section 28 of the Local Authorities Elections Ordinance (Chapter 262) (hereinafter referred to as the “principal enactment”) is hereby amended as follows:-</p> | <p>Short title</p> <p>Amendment of section 28 of Chapter 262</p> |
|---|--|

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

- (a) by the substitution for the words, “shall consist of the number of candidates of whom” of the words, “shall consist of the number of candidates of whom not less than twenty-five *per centum* of the total number of candidates nominated in both the First Nomination Paper and the Additional Nomination Paper shall be youth candidates and of whom,”; and
- (b) by the substitution for the words, “of such local authority, substantially in the Forms set out in the First Schedule, setting out the names-” of the words, “of such local authority. The nomination papers submitted by every recognized political party or independent group in respect of all wards of any local authority shall be substantially in the Forms set out in the First Schedule, setting out the names-”;

2 *Local Authorities Elections (Amendment)*
 Act, No. 30 of 2023

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

“(2A) The Commissioner shall by notice published in the *Gazette*, specify the minimum number of youth candidates to be nominated in total in both the First Nomination Paper and the Additional Nomination Paper and the minimum number of women candidates to be nominated in the First Nomination Paper and the Additional Nomination Paper as referred to in subsection (2), in respect of all wards of each local authority. Where-

- (a) the total number of youth candidates to be nominated is such that not less than twenty-five *per centum* of the total number of candidates nominated in both the First Nomination Paper and the Additional Nomination Paper; and
- (b) the total number of women candidates to be nominated is such that not less than ten *per centum* of the total numbers of members to be elected and returned in the First Nomination Paper, and not less than fifty *per centum* of the total number of candidates nominated in the Additional Nomination Paper,

would be an integer and fraction, the integer shall be deemed to be the number required for the purpose of this section.”;

- (3) by the insertion immediately after subsection (2A) thereof of the following new subsection:-

Local Authorities Elections (Amendment) Act, No. 30 of 2023 3

“(2AA) For the avoidance of doubt it is hereby declared that the total number of youth candidates referred to in paragraph (a) of subsection (2A) may include male candidates and female candidates.”; and

(4) by the repeal of subsections (2D) and (2E) of that section.

3. Section 31 of the principal enactment is hereby amended by the repeal of paragraph (f) of subsection (1) of that section and the substitution therefor of the following paragraph:-

Amendment of section 31 of the principal enactment

“(f) that does not contain the total number of women and youth candidates as required to be nominated under subsection (2A) of section 28 of this Ordinance.”.

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**GALAHA BHADDRAWATHIE NATIONAL BHIKKHU
CARE CENTRE TRUST ACT, No. 31 OF 2023**

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*Galaha Bhaddrawathie National Bhikkhu
Care Centre Trust Act, No. 31 of 2023*

[Certified on 24th of November, 2023]

L.D.—O. 26/2016

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF A TRUST CALLED THE
GALAHA BHADDRAWATHIE NATIONAL BHIKKHU CARE CENTRE TRUST
AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

WHEREAS a Trust called and known as the “Galaha Bhaddrawathie National Bhikkhu Care Centre Trust” has heretofore been established by a Public Trust dated February 7, 2003 for the purpose of establishing and maintaining a Bhikkhu Care Centre, for Bhikkhus who are sick and helpless:

Preamble

AND WHEREAS it has now become apparent that the said Trust is not functioning properly and therefore it is not possible to maintain the said Galaha Bhaddrawathie National Bhikkhu Care Centre due to various reasons including the absence of proper administration in the said Galaha Bhaddrawathie National Bhikkhu Care Centre and the absence of a regular and adequate funding system for the proper functioning of the said Galaha Bhaddrawathie National Bhikkhu Care Centre:

AND WHEREAS it has become necessary to enact legislation to provide for the establishment of a Trust called the Galaha Bhaddrawathie National Bhikkhu Care Centre Trust to achieve the objects of the said Galaha Bhaddrawathie National Bhikkhu Care Centre for the benefit of the Bhikkhus who are sick and helpless and to matters connected therewith or incidental thereto:

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 Galaha Bhaddrawathie National Bhikkhu Care Centre Trust Act, No. 31 of 2023.

Short title

2. (1) There shall be established a Trust to be called the Galaha Bhaddrawathie National Bhikkhu Care Centre Trust (hereinafter referred to as the “Trust”).

Establishment
of the Galaha
Bhaddrawathie
National
Bhikkhu Care
Centre Trust

2 *Galaha Bhaddrawathie National Bhikkhu
Care Centre Trust Act, No. 31 of 2023*

(2) The Trust shall, by the name assigned to it by subsection (1), be a body corporate and shall have perpetual succession 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.

The object of
the Trust

3. The object of the Trust shall be to facilitate the accommodation and caring for sick and helpless Bhikkhus in the Galaha Bhaddrawathie National Bhikkhu Care Centre (hereinafter referred to as the “Bhikkhu Care Centre”).

Functions of
the Trust

4. The functions of the Trust are –

- (a) to maintain the Bhikkhu Care Centre for Bhikkhus who are sick and helpless and accommodate sick and helpless Bhikkhus in the Bhikkhu Care Centre on such conditions and criteria as prescribed by section 8;
- (b) to provide the Bhikkhus residing in the Bhikkhu Care Centre who are sick, with all the necessities including the day to day requirements and to facilitate the obtaining of medicines and medical treatment;
- (c) to organize and conduct meditation programmes and other Buddhist programmes for the Bhikkhus residing in the Bhikkhu Care Centre with a view to improving the mental health of those Bhikkhus; and
- (d) to maintain a library in order to facilitate improving and refreshing the knowledge of Buddhism of the resident Bhikkhus.

Board of
Management
of the Trust

5. (1) The administration, management and control of the affairs of the Trust shall be vested in a Board of Management (hereinafter referred to as “the Board”).

(2) The Board shall consist of-

- (a) the following *ex-officio* members:-
- (i) the Secretary to the Ministry of the Minister assigned the subject of Health or his representative who is not below the rank of an Additional Secretary;
 - (ii) the Secretary to the Ministry of the Minister assigned the subject of Buddha Sasana or his representative who is not below the rank of an Additional Secretary;
 - (iii) the Secretary to the Ministry of the Minister assigned the subject of Social Services or his representative who is not below the rank of an Additional Secretary;
 - (iv) the Secretary to the Ministry of the Minister assigned the subject of Finance or his representative who is not below the rank of an Additional Secretary;
 - (v) the Commissioner-General of the Department of Buddhist Affairs or his representative;
 - (vi) the Public Trustee or his representative;
 - (vii) the District Secretary of the Kandy District;
 - (viii) the Provincial Director of Health Services of the Central Province;

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Care Centre Trust Act, No. 31 of 2023*

- (ix) the Divisional Secretary of Divisional Secretary's Division of Doluwa; and
 - (x) the Diyawadana Nilame of Sri Dalada Maligawa or his representative; and
- (b) the following members appointed by the Minister (hereinafter referred to as the “appointed members”):-
- (i) two members having knowledge and experience in administration and accountancy appointed by the Minister in consultation with the Secretary to the Ministry;
 - (ii) four Bhikkhus nominated by the Mahanayaka Theros of the Malwathu, Asgiri, Amarapura and Ramanna Chapters to represent such Chapters one of whom shall be appointed as the Chairperson of the Board; and
 - (iii) the President of the Dayaka Sabha of the Galaha Bhaddrawathie temple.

(3) Any person who has become a member of the Board in his *ex-officio* capacity shall hold office as long as he holds such office by virtue of which he is a member of the Board.

(4) Any appointed member of the Board shall unless a vacancy arises in his post by resignation, death or removal from office, hold office for three years from the date of appointment. Any member whose term is due to end otherwise than by removal shall be eligible for reappointment. Such reappointment shall be for not more than one further term, whether consecutive or not.

(5) In the event of the vacation of office by death, resignation or removal of any appointed member, the Minister shall, subject to paragraph (b) of subsection (2), appoint another person to fill such vacancy and such person shall hold office for the un-expired period of the term of office of the member whom he succeeds.

(6) Any appointed member who is temporarily unable to discharge his duties and functions as a member of the Board due to ill health, infirmity, being absent from Sri Lanka or for other reason for not less than three months shall inform that to the Minister in writing. In such event the Minister shall having regard to the provisions of subsection (2), appoint another person to act in the place of such member.

6. Any person—

- (a) if such person is or becomes a Member of Parliament or a Provincial Council or any Local Authority;
- (b) if such person is under any law in force in Sri Lanka or in any other country found or declared to be of unsound mind;
- (c) if such person is a person having been declared as an insolvent or a bankrupt person under any law in Sri Lanka or any other country and is an undischarged insolvent or bankrupt;
- (d) if such person is serving or has served a sentence of imprisonment imposed by any court in Sri Lanka or any other country,

Disqualification
for being a
member

he shall be disqualified from being appointed or continue to be a member of the Board.

7. The Board shall subject to the provisions of this Act or any other written law, have the power—

Powers of the
Board

6 *Galaha Bhaddrawathie National Bhikkhu
Care Centre Trust Act, No. 31 of 2023*

- (a) to receive grants, gifts and donations, both movable and immovable in cash or in kind, whether from local or foreign sources:

Provided that, the Board shall obtain prior written approval of the Department of External Resources in respect of all foreign grants, gifts or donations made to the Trust;

- (b) to acquire or hold any property, movable or immovable, which may become vested in the Trust by this Act or by virtue of any purchase, gift, grant, testamentary disposition or otherwise and, for the purpose of this Act to sell, mortgage, lease, grant, convey, devise, assign, exchange or otherwise dispose of any property to which the Trust may become entitled to;
- (c) to enter into and perform, either directly or through officers, employees and agents authorized in that behalf by the Board, all such contracts and agreements as may be necessary for the exercise, performance and discharge of the powers, duties and functions of the Trust; and
- (d) to open, operate and close bank accounts in any Bank as may be recommended by the Board.

Accommodation
etc. of Bhikkhus

8. The conditions and criteria for accommodating Bhikkhus in the Bhikkhu Care Centre and caring for such Bhikkhus shall be as prescribed by regulations.

Power of the
Trust to hold
property

9. The Trust shall be capable in law to take and hold 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 Trust for the purposes of this Act.

10. (1) Meetings of the Board shall be held at least once in three months. Meetings of the Board

(2) The Chairman shall, if present preside at every meeting of the Board. In the absence of the Chairman from any meeting of the Board, the members present at such meeting shall elect from among themselves a member to preside at such meeting.

(3) The quorum for any meeting of the Board shall be eleven members.

(4) If there is an equality of votes at any meeting, the Chairman or the member presiding at such meeting shall in addition to his vote, have a casting vote.

(5) The Board may subject to the provisions of this Act regulate the procedure to be followed in regard to its meetings and the transaction of its business.

(6) No act, decision 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 appointment of any member thereof.

11. The members of the Board may be paid such remuneration for attendance at meetings of the Board as may be determined by the Minister with the concurrence of the Minister assigned the subject of Finance. Remuneration for attending the meetings of the Board

12. There shall be an advisory committee consisting of the Mahanayake Theros of the Malwathu, Asgiri, Amrapura and Ramanna Chapters to advise the Board on matters relating to the Bhikkhu Care Centre. Advisory Committee

Establishment of
Galaha
Bhaddrawathie
National
Bhikkhu Care
Centre Trust
Fund

13. (1) There shall be established a Fund called the Galaha Bhaddrawathie National Bhikkhu Care Centre Trust Fund (hereinafter referred to as the “Fund”). The management, administration, control and operation of the Fund shall be vested in the Board.

(2) There shall be paid into the Fund—

(a) all such sums of monies allocated by the Parliament, from time to time, for the purpose of carrying out the objects of the Fund;

(b) any grant, gift or donation in cash or kind, from Sri Lanka or outside to achieve the objects of the Fund, subject to section 7(a).

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

Appointment of
the staff of the
Trust

14. (1) The Trust may appoint such number of officers and employees as it may consider necessary for the efficient discharge of its functions.

(2) The Trust may in respect of the officers and employees appointed under subsection (1) –

(a) exercise disciplinary control over or dismiss such officers and employees;

(b) determine the terms and conditions of employment of such officers and employees; and

(c) pay such officers and employees such remuneration as may be determined by the Board in consultation with the Minister assigned the subject of Finance.

15. (1) At the request of the Board, any officer in the public service may, with the consent of that officer and of the Public Service Commission be temporarily appointed to the staff of the Trust for such period as may be determined by the Board, or with like consent, be permanently appointed to such staff.

Appointment of public officers

(2) Where any officer in the public service is temporarily appointed to the staff of the Trust 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 such officer.

(3) Where any officer in the public service is permanently appointed to the staff of the Trust 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 such officer.

16. (1) The financial year of the Trust shall be the calendar year.

Financial year and audit of accounts

(2) The Board shall cause proper books of accounts to be kept of the income and expenditure of the Trust.

(3) 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 Trust.

17. (1) The Board shall within six months of the end of each financial year submit to the Minister an annual report on the activities carried out by the Trust along with the audited accounts of the Trust for the year.

Annual reports

(2) The Minister shall within three months from the date of receipt of the annual report, table such report along with the documents specified in subsection (1) in Parliament for its consideration.

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Care Centre Trust Act, No. 31 of 2023*

The seal of the
Board

18. (1) The seal of the Board—

- (a) shall be determined by the Board and may be altered in such manner as may be determined by the Board;
- (b) shall be in the custody of such person as the Board may determine, from time to time;
- (c) shall not be affixed to any instrument or document except with the sanction of the Board and in the presence of the Chairman and another member of the Board who shall sign the instrument or document in token of their presence.

(2) The Board shall maintain a register in respect of the instruments and documents to which the seal of the Board is affixed.

Recovery of
expenses from
any suit or
prosecution

19. (1) Any expense incurred by the Trust in any suit or prosecution brought by, or against the Trust before any court, shall be paid out of the moneys of the Fund and any cost recovered by the Trust in any such suit or prosecution shall be credited to the Fund.

(2) Any expense incurred by any member of the Board or any officer or employee of the Trust in any suit or prosecution brought against him in 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 Board 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.

20. (1) The Minister may in consultation with the Mahanayaka Theros of the Malwathu, Asgiri, Amarapura and Ramanna Chapters, make regulations for matters required by this Act to be prescribed or in respect of which regulations are authorized to be made. Regulations

(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 such later date as may be specified in such regulations.

(3) Every regulation made by the Minister shall within three months after its publication in the *Gazette*, be brought before Parliament for its approval. Every regulation which is not so approved by Parliament shall be deemed to be rescinded as from the date of such disapproval, but without prejudice to anything previously done thereunder.

(4) Notice of the date on which any regulation is so disapproved shall be published in the *Gazette*.

21. (1) The Board may make rules in respect of all matters authorized to be made by this Act. Rules

(2) Without prejudice to the generality of the provisions of subsection (1), rules may be made in respect of all or any of the following matters:—

- (a) the administration and management of the Trust;
- (b) conduct of its meetings and matters relating thereto;
- (c) to conduct inquiries in respect of breach of conditions and criteria relating to accommodating and caring for Bhikkhus in the Bhikku Care Centre; and

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Care Centre Trust Act, No. 31 of 2023*

(d) the programmes organized and conducted by the Bhikkhu Care Centre.

Officers and servants of the Trust deemed to be public servants under the Penal Code

22. All officers and servants of the Trust shall be deemed to be public servants within the meaning and for the purpose of the Penal Code (Chapter 19).

Trust deemed to be a scheduled institution within the meaning of the Anti corruption Act

23. The Trust shall be deemed to be a Scheduled Institution within the meaning of the Anti Corruption Act, No. 9 of 2023 and the provisions of that Act shall be construed accordingly.

Interpretation

24. In this Act, unless the context otherwise requires—

“Bhikkhu” shall have the same meaning as assigned to it in the Buddhist Temporalities Ordinance (Chapter 318);

“Minister” means the Minister to whom the implementation of the provisions of this Act is assigned.

Sinhala text to prevail in case of inconsistency

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

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

**VALUE ADDED TAX (AMENDMENT)
ACT, No. 32 OF 2023**

[Certified on 13th of December, 2023]

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*Value Added Tax (Amendment)
Act, No. 32 of 2023*

[Certified on 13th of December, 2023]

L.D.-O. 56/2022

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: -

- | | |
|--|---|
| <p>1. This Act may be cited as the Value Added Tax (Amendment) Act, No. 32 of 2023.</p> <p>2. Section 22 of the Value Added Tax Act, No. 14 of 2002 (hereinafter in this Act referred to as the “principal enactment”) is hereby amended as follows: -</p> <p>(1) in subsection (6) of that section, by the repeal of the first proviso to that subsection and the substitution therefor of the following: -</p> | <p>Short title</p> <p>Amendment of section 22 of Act, No.14 of 2002</p> |
|--|---|

“Provided that, notwithstanding the provisions of subsection (2) and the exemptions specified in-

- (a) item (i) and item (ii) of paragraph (f) of Part II of the First Schedule to this Act, for the period prior to the date of commencement of this (Amendment) Act; or
- (b) item (xxv) and item (xxvi) of paragraph (b) of Part III of the First Schedule to this Act, for any period on or after the date of commencement of this (Amendment) Act,

any registered person who is engaged in supplying of goods or services to any

Strategic Development Project identified under subsection (4) of section 3 of the Strategic Development Project Act, No. 14 of 2008 or any special project identified by the Minister under item (ii) of paragraph (f) of Part II of the First Schedule to this Act or item (xxvi) of paragraph (b) of Part III of the First Schedule to this Act may be allowed to claim the input tax on the purchase of goods or services connected to supply of goods or services made to such projects.”;

- (2) in subsection (10) of that section, by the repeal of the third proviso to that subsection and the substitution therefor of the following: -

“Provided further, for the purpose of ascertainment of the input tax allowable under this subsection to any person who is supplying goods or services to any Strategic Development Project identified under subsection (4) of section 3 of the Strategic Development Project Act, No. 14 of 2008 or any special project identified by the Minister under item (ii) of paragraph (f) of Part II of the First Schedule to this Act or item (xxvi) of paragraph (b) of Part III of the First Schedule to this Act-

- (a) for the period prior to the date of commencement of this (Amendment) Act, specified in item (i) and item (ii) of paragraph (f) of Part II of the First Schedule to this Act; or

- (b) for any period on or after the date of commencement of this (Amendment) Act, specified in item (xxv) and item (xxvi) of paragraph (b) of Part III of the First Schedule to this Act,

the value of the supply of the suppliers for the relevant period of such project shall be deemed to be a taxable supply on which the output tax is computed.”.

3. Section 83 of the principal enactment is hereby amended, by the insertion immediately after the expression “manufacture” of the following expression:-

Amendment of section 83 of the principal enactment

““Minister” means the Minister assigned the subject of Finance in terms of Article 44 or 45 of the Constitution;”;

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

Amendment of the First Schedule to the principal enactment

- (1) in the Heading of that PART, by the substitution for the words and figures “For any taxable period commencing on or after January 1, 2004 (subject to effective dates specified in subsequent amendments to the Schedule).”, of the words and figures “For any taxable period commencing on or after January 1, 2004 (subject to effective dates specified in subsequent amendments to the Schedule) but ending prior to January 1, 2024.”; and
- (2) by the addition immediately after paragraph (m) of that PART of the following new PART: -

*Value Added Tax (Amendment)
Act, No. 32 of 2023*

“PART III

For any taxable period commencing on or after January 1, 2024-

(a)	The supply or import of-	
	(i)	wheat and wheat flour;
	(ii)	infant milk powder;
	(iii)	pharmaceutical products, drugs (other than cosmetics), the end use of which are confined to therapeutic or prophylactic effect and purchased on a prescription of a physician and raw materials for the production or manufacture of such products or drugs;
	(iv)	ayurvedic preparations belonging to the ayurveda pharmacopoeia or ayurvedic preparations (other than cosmetic preparations) or unani, siddha or homeopathic preparations (other than cosmetic preparations) identified under the Harmonized Commodity Description and Coding System Numbers for Custom purposes and raw materials for such preparations, with the recommendation of the Commissioner for Ayurveda appointed under section 3 of the Ayurveda Act, No. 31 of 1961;
	(v)	crude petroleum oil, kerosene, aviation fuel, oil for ships or Fuel oil specified under the Harmonized Commodity Description Number 2710.19.60 for Custom purposes;
	(vi)	artificial limb, crutches, wheel chairs, hearing aids, accessories for such aids or appliances which are worn or carried or implanted in the human body to compensate for a defect or disability, white canes for the blind, braille typewriters and

		parts, braille writing papers, braille writing boards and any other articles which are used by disabled persons which are approved by the Minister taking into consideration the degree of relief requested by such persons, on an application made for that purposes;
	(vii)	bio fertilizer, artemia eggs and peat moss, classified under the Harmonized Commodity Description and Coding System Numbers for Custom purposes;
	(viii)	agricultural seeds, agricultural plants, shrimp feed inclusive of prawn feed and animal feed but excluding poultry feed;
	(ix)	yarn used for textile industry as identified under the Harmonized Commodity Description and coding System Numbers for Custom purposes;
	(x)	dyes used for the handloom industry as identified under the Harmonized Commodity Description and coding System Numbers for Custom purposes.
(b)	The supply of-	
	(i)	educational services provided by any person or partnership;
	(ii)	Public passenger transport services (other than air transport, water transport or transport of tourists, excursion tours and taxi services);
	(iii)	electricity, including distribution;
	(iv)	services in relation to burials and cremations by any institution or person;

*Value Added Tax (Amendment)
Act, No. 32 of 2023*

	(v)	services at a restaurant situated beyond the immigration counter at the Bandaranaike International Air Port;
	(vi)	goods and services to the mission of any state or any organization to which the provisions of the Diplomatic Privileges Act, No. 9 of 1996 applies or to any diplomatic personnel of such mission or organization who is entitled to such benefits: provided that, reciprocal benefits are available to their counter parts from Sri Lanka and identified as such by the Commissioner- General;
	(vii)	goods or services funded directly by foreign organizations for the relief of sudden distress caused by natural or human disasters or to any activity having regard to the interest of the national economy, as approved by the Minister;
	(viii)	the following financial services: -
	(A)	the operation of any current, deposit or savings account;
	(B)	the exchange of currency;
	(C)	the issue payment collection or transfer of ownership of any note, order for payment, cheque or letter of credit;
	(D)	the issue, allotment, transfer of ownership, drawing, acceptance or endorsement of any debt security, being any interest in or right to be paid money owing by any person;
	(E)	the issue, allotment or transfer of ownership of any equity security, debt security or participatory security;
	(F)	the underwriting or sub-underwriting the issue of any equity security, debt security or participatory security;
	(G)	the provision of any loan, advance or credit;

*Value Added Tax (Amendment)
Act, No. 32 of 2023*

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		(H)	the provision-
		(i)	of the facility of instalment credit finance in a hire purchase conditional sale or credit sale agreement for which facility a separate charge is made and disclosed to the person to whom the supply is made;
		(ii)	of goods under any hire purchase agreement or conditional sale agreement, which have been used in Sri Lanka for a period not less than twelve months as at the date of such agreement;
		(iii)	of leasing facilities under any finance lease agreement;
		(I)	the life insurance, "Agrahara" insurance and crop and livestock insurance;
		(J)	the transfer of non-performing loans of a licensed commercial bank by way of transfer of such loans to any other person in terms of a restructuring scheme or other scheme of such bank as approved by the Central Bank of Sri Lanka with the concurrence of the Minister;
	(ix)		all healthcare services provided by medical institutions or professionally qualified persons providing such care other than hospital room charges;
	(x)		any article imported subject to the Special Commodity Levy under the Special Commodity Levy Act, No. 48 of 2007 subject to the condition that such articles are sold without any processing except adaption for sale;
	(xi)		locally manufactured handloom textiles;
	(xii)		rice, rice flour and bread so far as such products are manufactured locally;
	(xiii)		unprocessed agricultural, horticultural or fishing products produced in Sri Lanka;
	(xiv)		locally manufactured surgical gauze used for surgery;

*Value Added Tax (Amendment)
Act, No. 32 of 2023*

	(xv)	fabric which are subject to a cess at a specific rate classified under the Harmonized Commodity Description and Coding System Numbers for Custom purposes, in lieu of chargeability of any other tax on importation at the point of entry into the country, by the Director-General of Customs as specified in a <i>Gazette</i> Notification issued under the Sri Lanka Export Development Act, No. 40 of 1979;
	(xvi)	services by the Department of Commerce, the Board of Investment of Sri Lanka or the Sri Lanka Ports Authority, in so far as such services are provided to any exporter or to provider of services which are zero rated services for the purpose of tax under this Act;
	(xvii)	services by a person in Sri Lanka to any other person outside Sri Lanka to be consumed or utilized by such other person outside Sri Lanka for which the payment is made in Sri Lanka rupees;
	(xviii)	services, which result in the improvement of quality, character or value of any yarn, fabric or garment so far as such services are provided to persons other than exporters of such products;
	(xix)	geriatric services and child care services;
	(xx)	goods or services to any project identified as a Strategic Development Project in terms of section 3(4) of the Strategic Development Project Act, No. 14 of 2008;
	(xxi)	(a) goods or services to any specified project identified by the Minister, taking into consideration the economic benefit to the country, on which the tax is borne by the Government; or (b) goods and services to any infrastructure development project funded through foreign loans or donations directly to the Ministries of the Government of Sri Lanka, approved by the Minister on the recommendation of the Secretary of the respective Ministry;
	(xxii)	goods or services by the Central Bank of Sri Lanka established by the Central Bank of Sri Lanka Act, No. 16 of 2023;

	(xxiii)	any services by any public corporation to the extent of provision of such services on behalf of the Government of Sri Lanka, free of charge out of the funds voted by Parliament from the Consolidated Fund or out of any loan arranged through the Government;
	(xxiv)	locally manufactured goods to duty free shops for payment in foreign currency.
(c)	The Import of -	
	(i)	any article entitled to duty free clearance under the Passenger's Baggage (exemptions) Regulations made under section 107 of the Customs Ordinance (Chapter 235) or any article cleared by duty free on a re-importation certificate as provided for in Schedule "A" of the Customs Ordinance (Chapter 235) or any article cleared ex-bond for use as ship stores;
	(ii)	(A) goods to be used as exhibition material or as material in any technical demonstration and which are re-exported after the completion of such project, exhibition or demonstration, as the case may be; or
		(B) plant, machinery or equipment which are imported to be used in projects and re-exported after the completion of the project, and in respect of which tax is differed in terms of paragraph (b) of the second proviso to subsection (3) of section 2;
	(iii)	aircraft engines or aircraft spare parts identified under specified Harmonized Commodity Description and Coding System Numbers for Custom purposes;
	(iv)	chemical naphtha by the Ceylon Petroleum Corporation to be supplied to Ceylon Electricity Board for the generation of electricity;
	(v)	(A) goods for any specified project identified by the Minister, taking into consideration the economic benefit to the country, on which the tax is borne by the Government; or

	(B) goods, for a project identified as a strategic development project under the provisions of the Strategic Development Project Act, No.14 of 2008, during the project implementation period, subject to the conditions specified therein; or
	(C) goods for any infrastructure development project funded through foreign loans or donations directly to any Ministry of the Government of Sri Lanka, as approved by the Minister on the recommendation of the Secretary of the respective Ministry;
(vi)	<p>goods to a mission of any state or any organization to which the provisions of the Diplomatic Privileges Act, No. 9 of 1996 applies or to any diplomatic personnel of such mission or organization who is entitled to such benefits:</p> <p style="text-align: center;">provided that, reciprocal benefits are available to the counter parts from Sri Lanka and identified as such by the Commissioner-General;</p>
(vii)	goods from any foreign organization or out of the funds from such organization for the relief of sudden distress caused by natural or human disasters or to any activity having regard to the interest of the national economy, as approved by the Minister.
(d)	The import and supply of goods at duty free shops for payment in foreign currency.”.

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.

English Acts of the Parliament can be purchased at the "PRAKASHANA PIYASA", DEPARTMENT OF
GOVERNMENT PRINTING, No. 118, DR. DANISTER DE SILVA MAWATHA, COLOMBO 8.



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

FINANCE ACT, No. 33 OF 2023

[Certified on 13th of December, 2023]

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Finance Act, No. 33 of 2023

[Certified on 13th of December, 2023]

L.D.—O. 76/2021

AN ACT TO AMEND THE FINANCE ACT, No.35 OF 2018 AND THE FINANCE ACT, No.12 OF 2012; TO PROVIDE FOR THE EXEMPTION OF CERTAIN PERSONS FROM THE APPLICATION OF THE IMPORTS AND EXPORTS (CONTROL) ACT, No.1 OF 1969; AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

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

1. This Act may be cited as the Finance Act, No. 33 of 2023. Short title

PART I

AMENDMENT OF THE FINANCE ACT, No. 35 OF 2018

2. Section 48 of the Finance Act, No.35 of 2018 (hereinafter in this part referred to as the “principal enactment”) is hereby amended by the insertion of the following subsections immediately after subsection (2) thereof:— Amendment of section 48 of Finance Act, No.35 of 2018

“(2A) There shall be charged with effect from the date of commencement of this Act, a levy of 25 cents per each mobile short message, on bulk advertisements sent through a fixed telephone line.

(2B) The levy imposed under subsection (2A), shall be paid by the advertiser who intends to advertise by way of the mobile short messages in respect of which the levy is charged.”.

3. Section 49 of the principal enactment is hereby amended – Amendment of section 49 of the principal enactment

- (1) by the repeal of definition of expression “mobile short message” and the substitution therefor, of the following:-

““mobile short message” means, a text message which is sent through mobile phones or fixed telephone lines;” and

- (2) by the repeal of definition of expression “bulk advertisements” and the substitution therefor, of the following:-

““bulk advertisements” mean, text messages being sent through mobile phones or fixed telephone lines to group of recipients for commercial purposes.”.

PART II

AMENDMENT OF THE FINANCE ACT, NO.12 OF 2012

Amendment
of the
Schedule to
Part IV of
the Finance
Act, No.12
of 2012

4. The Schedule of Part IV of the Finance Act, No.12 of 2012 is hereby amended by the addition immediately after item 6 thereof, of the following new item:-

“7. Social Security Contribution Levy Act, No.25 of 2022.”.

PART III

EXEMPTION OF CERTAIN PERSONS FROM THE APPLICATION OF THE
IMPORTS AND EXPORTS (CONTROL) ACT, No.1 OF 1969

5. Notwithstanding anything contrary to any other written law, a person who imported –

Granting exemption to certain persons from the application of the Imports and Exports (Control) Act, No.1 of 1969

- (a) any motor vehicle imported into Sri Lanka on or after May 22, 2020 and not removed from the Sri Lanka Customs, on or prior to November 12, 2021, due to the prohibitions and restrictions imposed by Imports and Exports (Control) Regulations, No.2 of 2020 made under the Imports and Exports (Control) Act, No.1 of 1969 and published in the *Gazette* Extraordinary No. 2176/19 of May 22, 2020; or
- (b) any motor vehicle propelled electrically imported into Sri Lanka on or prior to November 12, 2021 and not removed from the Sri Lanka Customs on the date of coming into operation of this Act, due to non-payment of any tax which is liable to be paid in terms of any Act referred to in Schedule hereto,

shall be permitted to remove such vehicle from the Sri Lanka Customs, subject to the payment of due amount of tax with a surcharge under the provisions of section 6.

6. (1) Any person who imported -

Collection of the tax

- (a) any motor vehicle referred to in paragraph (a) of section 5 shall be liable to pay, within sixty days from the date of coming into operation of this Act, the due amount of tax in terms of the provisions of any Act referred to in

Schedule hereto, at the date of removing the vehicle from Sri Lanka Customs, with a surcharge of 10% of the total due amount of tax at the date of opening the letter of credit; and

- (b) any motor vehicle propelled electrically referred to in paragraph (b) of section 5 shall be liable to pay, within sixty days from the date of coming into operation of this Act, the due amount of tax in terms of the provisions of any Act referred to in Schedule hereto, at the date of opening the letter of credit, with a surcharge of 10% of the total due amount of tax on the date of opening the letter of credit.

(2) Upon the receipt of the payments referred to in subsection (1), the Director- General of Customs shall grant permission to remove such vehicle from the Sri Lanka Customs.

(3) The provisions of the Customs Ordinance (Chapter 235) relating to the collection and recovery of any customs duty, shall, *mutatis mutandis*, apply for the collection and recovery of the tax under this Part.

Interpretation

7. In this Part unless the context otherwise requires -

“Director-General of Customs” means, the Director-General of Customs appointed under section 2 of the Customs Ordinance (Chapter 235);

“electrically propelled vehicle” means, any motor vehicle with only electric motor for propulsion;

“motor vehicle” means –

- (a) any mechanically or electrically, or solar energy propelled vehicle or vehicle propelled by liquid petroleum gas or vehicle propelled by alternative fuel including a tractor or trailer which is intended or adapted for use on roads but does not include a road-roller;
- (b) any mechanically or electrically or solar energy propelled vehicle, or vehicle propelled by liquid petroleum gas or vehicle propelled for alternative fuel or intended for use on land in connection with an agricultural or constructional purpose such as leveling, dredging, earthmoving, forestry or any similar operation but does not include a road-roller; and

“tax” includes any tax, penalty, surcharge, levy, duty, charge for or contribution payable or levied under the Acts referred to in Schedule in relation to import of a motor vehicle.

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

SCHEDULE

(sections 5 and 6)

1. Excise (Special provisions) Act, No.13 of 1989;
2. Finance Act, No.35 of 2018;
3. Value Added Tax Act, No.14 of 2002;
4. Ports and Airports Development Act, No.18 of 2011;
5. Customs Ordinance (Chapter 235).

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**PARLIAMENT OF THE DEMOCRATIC
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APPROPRIATION ACT, No. 34 OF 2023

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Appropriation Act, No. 34 of 2023

[Certified on 13th of December, 2023]

L.D. – O. 51/2023

AN ACT TO PROVIDE FOR THE SERVICE OF THE FINANCIAL YEAR 2024; TO AUTHORIZE 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. 34 of 2023. Short title

2. (1) Without prejudice to anything in any other law authorizing any expenditure and subject to the provisions of subsection (4) of this section, the expenditure of the Government which is estimated to be rupees four thousand three hundred ten billion eight hundred forty six million seven hundred eighty eight thousand for the service of the period beginning on January 1, 2024 and ending on December 31, 2024 (in this Act referred to as the “financial year 2024”), shall be met – Appropriation
for
financial
year, 2024
 - (a) from payments which are hereby authorized 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 borrowing made in the financial year 2024, which are hereby authorized in terms of relevant laws for moneys to be raised whether in or outside Sri Lanka, for and on behalf of the Government, provided that the balance outstanding of such borrowing at any given time during the financial year 2024 or at the end of the financial year 2024 shall not exceed rupees seven thousand three hundred fifty billion and the details of such loans shall be incorporated in the Final Budget Position Report which is required to be tabled in Parliament under section 13 of the Fiscal Management (Responsibility) Act, No. 3 of 2003:

Provided that, the difference between the total short-term borrowing raised during the financial year 2024 and the total settlement of short-term borrowing made during the financial year 2024 shall only be considered in deciding the volume of short-term borrowing for the purposes of calculating the borrowing made during the financial year 2024 as specified in this section.

(2) The sum of rupees four thousand three hundred ten billion eight hundred forty six million seven hundred eighty eight 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, authorizing 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, shall be rupees six thousand nine hundred sixty five billion nine hundred ninety one million four hundred twelve thousand for the service of the period beginning on January 1, 2024 and ending on December 31, 2024. The Expenditure Heads and the laws under which such expenditure is authorized to be made, are as specified in the Second Schedule to this Act.

3. (1) The receipts of the Government during the financial year 2024, 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 2024.

Financial provisions in respect of certain activities of the Government for the financial year 2024

(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 2024 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 2024, 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.

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 2024

4. Whenever at any time during the financial year 2024, 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.

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

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.

(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.

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.

Money allocated to the “Development Activities” Programme may be transferred to any other Programme under any other Head

(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 provisions of the Fiscal Management (Responsibility) Act, No.3 of 2003.

7. Where the Minister is satisfied-

- (a) that receipts from taxes and other sources will be less than the amounts anticipated to finance authorized expenditure; or
- (b) that amounts originally appropriated for a particular purpose or purposes are no longer required,

Power of Minister to limit expenditure previously authorized

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 and the details of all such withdrawals shall be incorporated in the Final Budget Position Report which is required to be tabled in Parliament under section 13 of the Fiscal Management (Responsibility) Act, No. 3 of 2003.

Power of Minister to vary the maximum and minimum limits specified in the Third Schedule to this Act

8. (1) The Minister with the approval of the Government may, on or before May 31, 2025, by Order, vary or alter-

- (a) any of the maximum limits specified in Column II, Column IV and Column V; and
- (b) the minimum limits specified in Column III,

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.

Power of Parliament to amend the Third Schedule to this Act

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; and
- (b) the minimum limit relating to such activity.

Sinhala text to prevail in case of inconsistency

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

[sections 2, 5 and 6]

FIRST SCHEDULE
ESTIMATE — 2024
Sums Payable for General Services

<i>Head No.</i>			<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 1 - 25	Special Spending Units			
	Recurrent	25,759,790,000		
	Capital	32,966,400,000		
Made up as follows:-				
Head 1	His Excellency the President			
	Programme 01 Operational Activities		3,673,150,000	1,228,000,000
	Programme 02 Development Activities		100,000,000	30,200,000,000
Head 2	Office of the Prime Minister			
	Programme 01 Operational Activities		1,044,000,000	111,000,000
Head 4	Judges of the Superior Courts			
	Programme 01 Operational Activities		509,000,000	19,000,000
Head 5	Office of the Cabinet of Ministers			
	Programme 01 Operational Activities		191,000,000	35,000,000
Head 6	Office of the Public Service Commission			
	Programme 01 Operational Activities		295,740,000	8,000,000
Head 7	Judicial Service Commission			
	Programme 01 Operational Activities		152,400,000	9,000,000
Head 8	National Police Commission			
	Programme 01 Operational Activities		174,900,000	8,000,000

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<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 9	Administrative Appeals Tribunal Programme 01 Operational Activities	40,200,000	7,800,000
Head 10	Commission to Investigate Allegations of Bribery or Corruption Programme 01 Operational Activities	734,260,000	122,000,000
Head 11	Office of the Finance Commission Programme 01 Operational Activities	107,000,000	3,000,000
Head 13	Human Rights Commission of Sri Lanka Programme 01 Operational Activities	340,000,000	44,000,000
Head 16	Parliament Programme 01 Operational Activities	3,853,500,000	486,000,000
Head 17	Office of the Leader of the House of Parliament Programme 01 Operational Activities	69,000,000	2,000,000
Head 18	Office of the Chief Government Whip of Parliament Programme 01 Operational Activities	153,000,000	2,000,000
Head 19	Office of the Leader of the Opposition of Parliament Programme 01 Operational Activities	270,000,000	16,000,000
Head 20	Election Commission Programme 01 Operational Activities	11,044,060,000	143,000,000

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Head 21	National Audit Office Programme 01 Operational Activities	2,810,300,000	442,000,000
Head 22	Office of the Parliamentary Commissioner for Administration Programme 01 Operational Activities	32,080,000	300,000
Head 23	Audit Service Commission Programme 01 Operational Activities	88,000,000	12,000,000
Head 24	National Procurement Commission Programme 01 Operational Activities	61,000,000	68,000,000
Head 25	Delimitation Commission Programme 01 Operational Activities	17,200,000	300,000

Ministry of Buddha Sasana, Religious and Cultural Affairs

Recurrent 6,640,000,000
Capital 3,960,000,000

Made up as follows :-

Head 101	Minister of Buddha Sasana, Religious and Cultural Affairs Programme 01 Operational Activities Programme 02 Development Activities	556,000,000 824,000,000	163,500,000 1,456,500,000
Head 201	Department of Buddhist Affairs Programme 01 Operational Activities Programme 02 Development Activities	106,000,000 1,449,000,000	10,000,000 95,000,000

Appropriation Act, No. 34 of 2023

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 202	Department of Muslim Religious and Cultural Affairs Programme 02 Development Activities	155,000,000	25,000,000
Head 203	Department of Christian Religious Affairs Programme 02 Development Activities	186,000,000	24,000,000
Head 204	Department of Hindu Religious and Cultural Affairs Programme 02 Development Activities	240,000,000	43,000,000
Head 205	Department of Public Trustee Programme 01 Operational Activities	83,000,000	6,000,000
Head 206	Department of Cultural Affairs Programme 01 Operational Activities Programme 02 Development Activities	142,000,000 649,000,000	6,000,000 231,000,000
Head 207	Department of Archaeology Programme 01 Operational Activities Programme 02 Development Activities	296,000,000 1,404,000,000	22,000,000 254,000,000
Head 208	Department of National Museums Programme 01 Operational Activities Programme 02 Development Activities	78,000,000 256,000,000	29,000,000 342,000,000

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Head 209	Department of National Archives		
	Programme 01 Operational Activities	116,000,000	8,000,000
	Programme 02 Development Activities	100,000,000	1,245,000,000

Ministry of Finance, Economic Stabilization and National Policies

Recurrent 409,398,310,000
Capital 689,423,185,000

Made up as follows :-

Head 102	Minister of Finance, Economic Stabilization and National Policies		
	Programme 01 Operational Activities	206,350,909,000	261,450,000
	Programme 02 Development Activities	-	23,338,000,000
Head 237	Department of National Planning		
	Programme 01 Operational Activities	133,331,000	4,248,680,000
Head 238	Department of Fiscal Policy		
	Programme 01 Operational Activities	106,560,000	1,400,000
Head 239	Department of External Resources		
	Programme 01 Operational Activities	443,995,000	3,541,700,000
Head 240	Department of National Budget		
	Programme 01 Operational Activities	285,250,000	345,000,000
	Programme 02 Development Activities	138,900,000,000	81,390,000,000
Head 241	Department of Public Enterprises		
	Programme 01 Operational Activities	878,230,000	519,108,955,000
Head 242	Department of Management Services		
	Programme 01 Operational Activities	120,990,000	4,100,000

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<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 243	Department of Development Finance Programme 01 Operational Activities Programme 02 Development Activities	25,905,030,000 -	3,100,000 44,182,800,000
Head 244	Department of Trade and Investment Policies Programme 01 Operational Activities	92,605,000	204,000,000
Head 245	Department of Public Finance Programme 01 Operational Activities	96,000,000	426,850,000
Head 246	Department of Inland Revenue Programme 01 Operational Activities	4,597,930,000	4,798,200,000
Head 247	Sri Lanka Customs Programme 01 Operational Activities	4,189,600,000	255,500,000
Head 248	Department of Excise Programme 01 Operational Activities	2,310,500,000	1,068,700,000
Head 249	Department of Treasury Operations Programme 01 Operational Activities	21,437,325,000	4,657,950,000
Head 250	Department of State Accounts Programme 01 Operational Activities	113,600,000	33,900,000
Head 251	Department of Valuation Programme 01 Operational Activities	731,300,000	103,000,000

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Head 252	Department of Census and Statistics Programme 01 Operational Activities	1,200,370,000	1,418,700,000
Head 280	Department of Project Management and Monitoring Programme 02 Development Activities	94,650,000	4,400,000
Head 296	Department of Import and Export Control Programme 01 Operational Activities	143,885,000	9,800,000
Head 323	Department of Legal Affairs Programme 01 Operational Activities	22,170,000	2,400,000
Head 324	Department of Management Audit Programme 01 Operational Activities	61,665,000	3,500,000
Head 329	Department of Information Technology Management Programme 01 Operational Activities	1,132,435,000	8,000,000
Head 333	Office of the Comptroller General Programme 01 Operational Activities	49,980,000	3,100,000

Ministry of Defence

Recurrent 365,279,000,000
Capital 58,446,000,000

Made up as follows :-

Head 103	Minister of Defence		
	Programme 01 Operational Activities	7,331,000,000	9,378,000,000
	Programme 02 Development Activities	4,710,000,000	11,895,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 222	Sri Lanka Army Programme 01 Operational Activities	214,214,000,000	4,427,000,000
Head 223	Sri Lanka Navy Programme 01 Operational Activities	69,684,000,000	11,657,000,000
Head 224	Sri Lanka Air Force Programme 01 Operational Activities	50,079,000,000	19,120,000,000
Head 304	Department of Meteorology Programme 02 Development Activities	405,000,000	1,475,000,000
Head 320	Department of Civil Security Programme 01 Operational Activities	18,778,000,000	237,000,000
Head 325	Department of Sri Lanka Coast Guard Programme 01 Operational Activities	78,000,000	257,000,000
Ministry of Mass Media			
	Recurrent	23,000,000,000	
	Capital	2,650,000,000	
Made up as follows :-			
Head 105	Minister of Mass Media Programme 01 Operational Activities Programme 02 Development Activities	412,900,000 216,000,000	66,500,000 356,000,000
Head 210	Department of Government Information Programme 01 Operational Activities	348,000,000	181,300,000

Head 211	Department of Government Printing Programme 01 Operational Activities	3,496,000,000	556,000,000
Head 308	Department of Posts Programme 02 Development Activities	18,527,100,000	1,490,200,000

Ministry of Justice, Prison Affairs and Constitutional Reforms

Recurrent 31,049,000,000
Capital 11,202,000,000

Made up as follows :-

Head 110	Minister of Justice, Prison Affairs and Constitutional Reforms Programme 01 Operational Activities	4,938,700,000	7,472,200,000
Head 228	Courts Administration Programme 01 Operational Activities	9,305,200,000	1,818,000,000
Head 229	Attorney General's Department Programme 01 Operational Activities	1,787,000,000	42,000,000
Head 230	Legal Draftsman's Department Programme 01 Operational Activities	161,400,000	5,000,000
Head 231	Department of Debt Conciliation Board Programme 01 Operational Activities	76,800,000	2,100,000
Head 232	Department of Prisons Programme 01 Operational Activities	12,957,500,000	1,285,000,000
Head 233	Department of Government Analyst Programme 01 Operational Activities	847,500,000	545,000,000
Head 234	Office of the Registrar of the Supreme Court Programme 01 Operational Activities	374,200,000	10,400,000
Head 235	Law Commission of Sri Lanka Programme 01 Operational Activities	24,700,000	1,300,000
Head 326	Department of Community Based Corrections Programme 01 Operational Activities	576,000,000	21,000,000

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Head
No.

Recurrent
Expenditure
Rs.

Capital
Expenditure
Rs.

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Ministry of Health

Recurrent 350,289,998,000
Capital 60,500,000,000

Made up as follows :-

Head 111	Minister of Health			
	Programme 01	Operational Activities	140,239,998,000	22,675,000,000
	Programme 02	Development Activities	207,845,000,000	37,125,000,000
Head 220	Department of Ayurveda			
	Programme 01	Operational Activities	145,000,000	15,000,000
	Programme 02	Development Activities	2,060,000,000	685,000,000

Ministry of Foreign Affairs

Recurrent 18,874,025,000
Capital 738,000,000

Made up as follows :-

Head 112	Minister of Foreign Affairs			
	Programme 01	Operational Activities	111,700,000	8,000,000
	Programme 02	Development Activities	18,762,325,000	730,000,000

Ministry of Trade, Commerce and Food Security

Recurrent 1,801,300,000
Capital 767,700,000

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Made up as follows :-

Head 116	Minister of Trade, Commerce and Food Security		
	Programme 01 Operational Activities	661,000,000	121,600,000
	Programme 02 Development Activities	655,000,000	304,000,000
Head 298	Department of Measurement Units, Standards and Services		
	Programme 01 Operational Activities	189,500,000	-
Head 299	National Intellectual Property Office of Sri Lanka		
	Programme 01 Operational Activities	64,700,000	-
Head 300	Department of Food Commissioner		
	Programme 01 Operational Activities	119,500,000	314,500,000
Head 301	Department of Co-operative Development (Registrar of Co-operative Societies)		
	Programme 01 Operational Activities	88,000,000	26,500,000
Head 302	Co-operative Employees Commission		
	Programme 01 Operational Activities	23,600,000	1,100,000

Ministry of Transport and Highways

Recurrent 48,839,000,000
Capital 368,345,000,000

Made up as follows :-

Head 117	Minister of Transport and Highways		
	Programme 01 Operational Activities	785,000,000	28,000,000
	Programme 02 Development Activities	15,050,000,000	339,878,000,000
Head 306	Department of Sri Lanka Railways		
	Programme 02 Development Activities	29,932,000,000	27,068,000,000

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<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 307	Department of Motor Traffic Programme 02 Development Activities	3,072,000,000	1,371,000,000
Ministry of Agriculture and Plantation Industries			
	Recurrent	66,039,250,000	
	Capital	46,522,030,000	
Made up as follows :-			
Head 118	Minister of Agriculture and Plantation Industries Programme 01 Operational Activities Programme 02 Development Activities	3,504,400,000 44,885,400,000	478,000,000 37,234,670,000
Head 281	Department of Agrarian Development Programme 01 Operational Activities Programme 02 Development Activities	662,550,000 8,917,790,000	73,860,000 3,781,500,000
Head 285	Department of Agriculture Programme 01 Operational Activities Programme 02 Development Activities	625,800,000 5,132,160,000	49,000,000 3,186,000,000
Head 289	Department of Export Agriculture Programme 02 Development Activities	933,000,000	517,000,000
Head 292	Department of Animal Production and Health Programme 01 Operational Activities Programme 02 Development Activities	841,150,000 -	73,000,000 586,000,000
Head 293	Department of Rubber Development Programme 02 Development Activities	412,000,000	528,000,000

Head 337	Department of Cinnamon Industry Development Programme 02 Development Activities	125,000,000	15,000,000
Ministry of Power and Energy			
	Recurrent	910,000,000	
	Capital	42,073,000,000	
Made up as follows :-			
Head 119	Minister of Power and Energy Programme 01 Operational Activities Programme 02 Development Activities	625,000,000 285,000,000	19,000,000 42,054,000,000
Ministry of Tourism and Lands			
	Recurrent	7,655,730,000	
	Capital	12,869,000,000	
Made up as follows :-			
Head 122	Minister of Tourism and Lands Programme 01 Operational Activities Programme 02 Development Activities	692,400,000 -	27,000,000 11,857,000,000
Head 286	Department of Land Commissioner General Programme 02 - Development Activities	634,200,000	70,000,000
Head 287	Department of Land Title Settlement Programme 02 - Development Activities	679,880,000	59,000,000
Head 288	Department of Surveyor General of Sri Lanka Programme 01 Operational Activities Programme 02 Development Activities	358,550,000 4,070,725,000	204,200,000 425,100,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 322	Department of National Botanical Gardens Programme 02 Development Activities	713,650,000	156,500,000
Head 327	Department of Land Use Policy Planning Programme 02 Development Activities	506,325,000	70,200,000
Ministry of Urban Development and Housing			
	Recurrent	3,090,000,000	
	Capital	51,060,000,000	
Made up as follows :-			
Head 123	Minister of Urban Development and Housing Programme 01 Operational Activities Programme 02 Development Activities	907,000,000 889,300,000	46,000,000 50,552,000,000
Head 291	Department of Coast Conservation and Coastal Resource Management Programme 01 Operational Activities	358,300,000	321,000,000
Head 309	Department of Buildings Programme 01 Operational Activities Programme 02 Development Activities	157,400,000 411,000,000	5,700,000 15,000,000
Head 310	Department of Government Factories Programme 02 Development Activities	167,000,000	83,300,000
Head 311	Department of National Physical Planning Programme 01 Operational Activities	200,000,000	37,000,000

Ministry of Education

Recurrent 181,800,000,000
Capital 58,040,000,000

Made up as follows :-

Head 126	Minister of Education			
	Programme 01	Operational Activities	40,855,000,000	3,095,000,000
	Programme 02	Development Activities	63,560,000,000	47,045,000,000
Head 212	Department of Examinations			
	Programme 02	Development Activities	11,180,000,000	140,000,000
Head 213	Department of Educational Publications			
	Programme 02	Development Activities	110,000,000	60,000,000
Head 214	University Grants Commission			
	Programme 02	Development Activities	63,500,000,000	7,500,000,000
Head 215	Department of Technical Education and Training			
	Programme 01	Operational Activities	310,000,000	15,000,000
	Programme 02	Development Activities	2,215,000,000	175,000,000
Head 335	National Education Commission			
	Programme 01	Operational Activities	70,000,000	10,000,000

Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government

Recurrent 423,245,000,000
Capital 36,165,000,000

Appropriation Act, No. 34 of 2023

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Made up as follows :-			
Head 130	Minister of Public Administration, Home Affairs, Provincial Councils and Local Government		
	Programme 01 Operational Activities	13,219,000,000	1,248,000,000
	Programme 02 Development Activities	16,000,000	29,610,000,000
Head 236	Department of Official Languages		
	Programme 01 Operational Activities	180,000,000	7,000,000
Head 253	Department of Pensions		
	Programme 01 Operational Activities	362,855,000,000	90,000,000
Head 254	Department of Registrar General		
	Programme 01 Operational Activities	3,615,000,000	415,000,000
Head 255	District Secretariat, Colombo		
	Programme 01 Operational Activities	1,925,000,000	210,000,000
Head 256	District Secretariat, Gampaha		
	Programme 01 Operational Activities	2,565,000,000	765,000,000
Head 257	District Secretariat, Kalutara		
	Programme 01 Operational Activities	2,075,000,000	170,000,000
Head 258	District Secretariat, Kandy		
	Programme 01 Operational Activities	2,960,000,000	220,000,000

Head 259	District Secretariat, Matale Programme 01 Operational Activities	1,455,000,000	90,000,000
Head 260	District Secretariat, Nuwara-Eliya Programme 01 Operational Activities	1,240,000,000	45,000,000
Head 261	District Secretariat, Galle Programme 01 Operational Activities	2,870,000,000	620,000,000
Head 262	District Secretariat, Matara Programme 01 Operational Activities	2,270,000,000	200,000,000
Head 263	District Secretariat, Hambantota Programme 01 Operational Activities	1,730,000,000	215,000,000
Head 264	District Secretariat/ Kachcheri - Jaffna Programme 01 Operational Activities	2,000,000,000	65,000,000
Head 265	District Secretariat/ Kachcheri - Mannar Programme 01 Operational Activities	495,000,000	170,000,000
Head 266	District Secretariat/ Kachcheri - Vavuniya Programme 01 Operational Activities	480,000,000	55,000,000
Head 267	District Secretariat/ Kachcheri - Mullaitivu Programme 01 Operational Activities	585,000,000	70,000,000
Head 268	District Secretariat/ Kachcheri - Killinochchi Programme 01 Operational Activities	540,000,000	55,000,000

Appropriation Act, No. 34 of 2023

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 269	District Secretariat/ Kachcheri - Batticaloa Programme 01 Operational Activities	1,770,000,000	160,000,000
Head 270	District Secretariat, Ampara Programme 01 Operational Activities	2,025,000,000	175,000,000
Head 271	District Secretariat/ Kachcheri - Trincomalee Programme 01 Operational Activities	990,000,000	105,000,000
Head 272	District Secretariat, Kurunegala Programme 01 Operational Activities	4,105,000,000	85,000,000
Head 273	District Secretariat, Puttalam Programme 01 Operational Activities	1,420,000,000	125,000,000
Head 274	District Secretariat, Anuradhapura Programme 01 Operational Activities	1,940,000,000	65,000,000
Head 275	District Secretariat, Polonnaruwa Programme 01 Operational Activities	910,000,000	175,000,000
Head 276	District Secretariat, Badulla Programme 01 Operational Activities	1,755,000,000	60,000,000
Head 277	District Secretariat, Moneragala Programme 01 Operational Activities	1,145,000,000	330,000,000
Head 278	District Secretariat, Rathnapura Programme 01 Operational Activities	1,895,000,000	245,000,000

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Head 279	District Secretariat, Kegalle		
	Programme 01 Operational Activities	2,215,000,000	320,000,000

Head Nos. 312 - 319 and Head No. 321 - Provincial Councils

Recurrent 390,000,000,000
Capital 38,800,000,000

Head 312	Western Provincial Council		
	Programme 01 Operational Activities	63,153,000,000	-
	Programme 02 Development Activities	-	3,006,000,000
Head 313	Central Provincial Council		
	Programme 01 Operational Activities	51,804,000,000	-
	Programme 02 Development Activities	-	4,248,000,000
Head 314	Southern Provincial Council		
	Programme 01 Operational Activities	49,796,000,000	-
	Programme 02 Development Activities	-	4,138,000,000
Head 315	Northern Provincial Council		
	Programme 01 Operational Activities	35,862,000,000	-
	Programme 02 Development Activities	-	4,909,000,000
Head 316	North Western Provincial Council		
	Programme 01 Operational Activities	44,870,000,000	-
	Programme 02 Development Activities	-	3,885,000,000

Appropriation Act, No. 34 of 2023

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 317	North Central Provincial Council		
	Programme 01 Operational Activities	29,646,000,000	-
	Programme 02 Development Activities	-	4,417,000,000
Head 318	Uva Provincial Council		
	Programme 01 Operational Activities	32,866,000,000	-
	Programme 02 Development Activities	-	4,745,000,000
Head 319	Sabaragamuwa Provincial Council		
	Programme 01 Operational Activities	41,502,000,000	-
	Programme 02 Development Activities	-	4,598,000,000
Head 321	Eastern Provincial Council		
	Programme 01 Operational Activities	40,501,000,000	-
	Programme 02 Development Activities	-	4,854,000,000

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Ministry of Industries**Recurrent 3,414,800,000****Capital 5,994,300,000**

Made up as follows :-

Head 149	Minister of Industries			
	Programme 01	Operational Activities	547,700,000	71,800,000
	Programme 02	Development Activities	2,467,900,000	5,843,600,000
Head 297	Department of the Registrar of Companies			
	Programme 01	Operational Activities	78,400,000	-
Head 303	Department of Textile Industries			
	Programme 02	Development Activities	320,800,000	78,900,000

Ministry of Fisheries

Recurrent 2,581,000,000

Capital 4,919,000,000

Made up as follows :-

Head 151	Minister of Fisheries			
	Programme 01	Operational Activities	431,000,000	91,400,000
	Programme 02	Development Activities	1,350,000,000	4,727,600,000
Head 290	Department of Fisheries and Aquatic Resources			
	Programme 01	Operational Activities	800,000,000	100,000,000

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Head
No.

Recurrent
Expenditure
Rs.

Capital
Expenditure
Rs.

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Ministry of Environment

Recurrent 1,529,000,000
Capital 601,000,000

Made up as follows :-

Head 160	Minister of Environment		
	Programme 01 Operational Activities	725,000,000	119,000,000
	Programme 02 Development Activities	804,000,000	482,000,000

Ministry of Wildlife and Forest Resources Conservation

Recurrent 7,578,000,000
Capital 1,135,000,000

Made up as follows :-

Head 161	Minister of Wildlife and Forest Resources Conservation		
	Programme 01 Operational Activities	332,000,000	10,000,000
Head 283	Department of Forest Conservation		
	Programme 01 Operational Activities	1,962,000,000	703,000,000
Head 284	Department of Wildlife Conservation		
	Programme 01 Operational Activities	4,638,000,000	292,000,000

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Head 294	Department of National Zoological Gardens		
	Programme 02 Development Activities	646,000,000	130,000,000

Ministry of Water Supply and Estate Infrastructure Development

Recurrent 1,426,000,000
Capital 71,424,000,000

Made up as follows :-

Head 166	Minister of Water Supply and Estate Infrastructure Development		
	Programme 01 Operational Activities	1,022,000,000	64,000,000
	Programme 02 Development Activities	-	69,593,000,000

Head 332	Department of National Community Water Supply		
	Programme 01 Operational Activities	404,000,000	1,767,000,000

Ministry of Women, Child Affairs and Social Empowerment

Recurrent 72,801,000,000
Capital 1,733,000,000

Made up as follows :-

Head 171	Minister of Women, Child Affairs and Social Empowerment		
	Programme 01 Operational Activities	1,368,000,000	104,000,000
	Programme 02 Development Activities	13,976,000,000	1,384,000,000

Head 216	Department of Social Services		
	Programme 01 Operational Activities	103,000,000	4,000,000
	Programme 02 Development Activities	1,176,000,000	110,000,000

Appropriation Act, No. 34 of 2023

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 217	Department of Probation and Childcare Services		
	Programme 01 Operational Activities	48,000,000	1,000,000
	Programme 02 Development Activities	345,000,000	58,000,000
Head 331	Department of Samurdhi Development		
	Programme 01 Operational Activities	505,000,000	10,000,000
	Programme 02 Development Activities	55,280,000,000	62,000,000
Ministry of Ports, Shipping and Aviation			
	Recurrent	1,397,000,000	
	Capital	7,678,000,000	
Made up as follows :-			
Head 176	Minister of Ports, Shipping and Aviation		
	Programme 01 Operational Activities	410,000,000	22,000,000
	Programme 02 Development Activities	850,000,000	7,634,000,000
Head 336	Merchant Shipping Secretariat		
	Programme 02 Development Activities	137,000,000	22,000,000

Ministry of Technology

Recurrent 3,070,400,000
Capital 5,356,400,000

Made up as follows :-

Head 186	Minister of Technology			
	Programme 01	Operational Activities	201,400,000	16,400,000
	Programme 02	Development Activities	2,869,000,000	5,340,000,000

Ministry of Investment Promotion

Recurrent	1,186,170,000
Capital	2,531,500,000

Made up as follows :-

Head 187	Minister of Investment Promotion			
	Programme 01	Operational Activities	464,170,000	33,500,000
	Programme 02	Development Activities	722,000,000	2,498,000,000

Ministry of Public Security

Recurrent	127,403,500,000
Capital	13,330,000,000

Made up as follows :-

Head 189	Minister of Public Security			
	Programme 01	Operational Activities	13,145,500,000	3,837,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Head 225	Department of Police Programme 01 Operational Activities	110,033,000,000	5,967,000,000
Head 226	Department of Immigration and Emigration Programme 01 Operational Activities	2,571,500,000	2,436,000,000
Head 227	Department of Registration of Persons Programme 01 Operational Activities	1,653,500,000	1,090,000,000
Ministry of Labour and Foreign Employment			
	Recurrent	5,153,000,000	
	Capital	1,745,000,000	
Made up as follows :-			
Head 193	Minister of Labour and Foreign Employment Programme 01 Operational Activities	1,539,000,000	321,000,000
	Programme 02 Development Activities	150,000,000	4,000,000

Head 221	Department of Labour		
	Programme 01	Operational Activities	1,817,000,000 652,000,000
	Programme 02	Development Activities	1,074,000,000 744,000,000
Head 328	Department of Manpower and Employment		
	Programme 01	Operational Activities	573,000,000 8,000,000
	Programme 02	Development Activities	- 16,000,000

Ministry of Sports and Youth Affairs

Recurrent 6,500,000,000
Capital 5,500,000,000

Made up as follows :-

Head 194	Minister of Sports and Youth Affairs		
	Programme 01	Operational Activities	1,205,000,000 413,000,000
	Programme 02	Development Activities	3,695,000,000 4,087,000,000
Head 219	Department of Sports Development		
	Programme 01	Operational Activities	150,000,000 20,000,000
	Programme 02	Development Activities	1,450,000,000 980,000,000

<i>Head No.</i>		<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>
Ministry of Irrigation			
	Recurrent	8,574,000,000	
	Capital	77,926,000,000	
Made up as follows :-			
Head 198	Minister of Irrigation		
	Programme 01 Operational Activities	557,000,000	251,000,000
	Programme 02 Development Activities	3,700,000,000	54,262,000,000
Head 282	Department of Irrigation		
	Programme 01 Operational Activities	1,006,000,000	73,000,000
	Programme 02 Development Activities	3,311,000,000	23,340,000,000
Non-cabinet Ministry of State Plantation Enterprises Reforms			
	Recurrent	138,000,000	
	Capital	24,000,000	
Made up as follows :-			
Head 501	Non-cabinet Minister of State Plantation Enterprises Reforms		
	Programme 01 Operational Activities	138,000,000	24,000,000
	Total	2,596,422,273,000	1,714,424,515,000

[section 2]

SECOND SCHEDULE

ESTIMATE — 2024

Expenditure of the Government, authorized by the Constitution and other Laws 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>Provision of the Constitution and Law under which expenditure is authorized</i>	<i>Expenditure Programme</i>	<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>	<i>Total Expenditure Rs.</i>
1	His Excellency the President	Article 36 of the Constitution	Programme 01-Operational Activities	5,850,000	—	5,850,000
4	Judges of the Superior Courts	Article 108 of the Constitution	Programme 01-Operational Activities	100,000,000	—	100,000,000
6	Office of the Public Service Commission	Chapter IX of the Constitution	Programme 01-Operational Activities	10,260,000	—	10,260,000
7	Judicial Service Commission	Chapter XV A of the Constitution	Programme 01-Operational Activities	2,600,000	—	2,600,000
8	National Police Commission	Chapter XVIII A of the Constitution	Programme 01-Operational Activities	8,100,000	—	8,100,000

Appropriation Act, No. 34 of 2023

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<i>Head No.</i>	<i>Unit/Ministry/Department or Institution by whom expenditure is incurred</i>	<i>Provision of the Constitution and Law under which expenditure is authorized</i>	<i>Expenditure Programme</i>	<i>Recurrent Expenditure Rs.</i>	<i>Capital Expenditure Rs.</i>	<i>Total Expenditure Rs.</i>
10	Commission to Investigate Allegations of Bribery or Corruption	Anti-Corruption Act, No. 9 of 2023	Programme 01-Operational Activities	4,740,000	—	4,740,000
16	Parliament	Article 65 of the Constitution	Programme 01-Operational Activities	1,500,000	—	1,500,000
20	Election Commission	Article 103 of the Constitution	Programme 01-Operational Activities	5,940,000	—	5,940,000
21	National Audit Office	Article 153 of the Constitution	Programme 01-Operational Activities	1,700,000	—	1,700,000
22	Office of the Parliamentary Commissioner for Administration	Article 156 of the Constitution	Programme 01-Operational Activities	1,620,000	—	1,620,000

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Appropriation Act, No. 34 of 2023

111	Ministry of Health	Medical Ordinance (Chapter 105)	Programme 01- Operational Activities	2,000	—	2,000
249	Department of Treasury Operations	section 2 paragraphs (a) and (c) of the Foreign Loans Act, No. 29 of 1957, Local Treasury Bills Ordinance (Chapter 417), section 6(1) of the Active Liability Management Act, No. 8 of 2018	Programme 01- Operational Activities	2,634,104,400,000	4,263,744,700,000	6,897,849,100,000
253	Department of Pensions	Widows' and Orphans' Pension Fund Ordinance (Chapter 431), Widowers' and Orphans' Pensions Act, No. 24 of 1983, Widows' and Orphans' Pension Scheme (Armed Forces) Act, No. 18 of 1970, School Teachers' Pensions Act (Chapter 432)	Programme 01- Operational Activities	68,000,000,000	—	68,000,000,000

THIRD SCHEDULE
ESTIMATE — 2024
Limits of Advance Accounts Activities

SRL No.	Ministry / Department	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	25,000,000	22,000,000	125,000,000	—
2	Office of the Prime Minister	00201	Advances to Public Officers	20,000,000	9,000,000	80,000,000	—
3	Judges of the Superior Courts	00401	Advances to Public Officers	1,000,000	200,000	3,000,000	—
4	Office of the Cabinet of Ministers	00501	Advances to Public Officers	3,000,000	3,000,000	15,000,000	—
5	Office of the Public Service Commission	00601	Advances to Public Officers	5,000,000	9,000,000	40,000,000	—
6	Judicial Service Commission	00701	Advances to Public Officers	3,000,000	1,700,000	15,000,000	—
7	National Police Commission	00801	Advances to Public Officers	3,000,000	2,200,000	10,000,000	—
8	Administrative Appeals Tribunal	00901	Advances to Public Officers	500,000	500,000	2,000,000	—
9	Commission to Investigate Allegations of Bribery or Corruption	01001	Advances to Public Officers	12,000,000	7,500,000	45,000,000	—
10	Commission to Investigate Allegations of Bribery or Corruption	01002	Advancing monies to be used in bribery detection as bribes	50,000,000	5,000,000	275,000,000	—

11	Office of the Finance Commission	01101	Advances to Public Officers	2,500,000	2,500,000	17,000,000	—
12	Parliament	01601	Advances to Public Officers	30,000,000	28,000,000	140,000,000	—
13	Office of the Leader of the House of Parliament	01701	Advances to Public Officers	2,000,000	1,500,000	7,000,000	—
14	Office of the Chief Government Whip of Parliament	01801	Advances to Public Officers	2,500,000	1,900,000	9,000,000	—
15	Office of the Leader of the Opposition of Parliament	01901	Advances to Public Officers	2,500,000	1,900,000	10,000,000	—
16	Election Commission	02001	Advances to Public Officers	18,000,000	25,000,000	120,000,000	—
17	National Audit Office	02101	Advances to Public Officers	60,000,000	58,000,000	280,000,000	—
18	Office of the Parliamentary Commissioner for Administration	02201	Advances to Public Officers	800,000	600,000	5,000,000	—
19	Audit Service Commission	02301	Advances to Public Officers	500,000	100,000	1,000,000	—
20	National Procurement Commission	02401	Advances to Public Officers	500,000	100,000	7,000,000	—
21	Delimitation Commission	02501	Advances to Public Officers	500,000	200,000	3,000,000	—
22	Minister of Buddhasasana, Religious and Cultural Affairs	10101	Advances to Public Officers	50,000,000	32,000,000	220,000,000	—
23	Minister of Finance, Economic Stabilization and National Policies	10201	Advances to Public Officers	20,000,000	16,000,000	80,000,000	—
24	Minister of Defence	10301	Advances to Public Officers	90,000,000	67,000,000	350,000,000	—
25	Minister of Mass Media	10501	Advances to Public Officers	8,000,000	4,800,000	25,000,000	—

SRL No.	Ministry / Department	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 Justice, Prison Affairs and Constitutional Reforms	11001	Advances to Public Officers	40,000,000	24,000,000	150,000,000	—
27	Minister of Health	11101	Advances to Public Officers	1,600,000,000	1,127,000,000	3,500,000,000	—
28	Minister of Foreign Affairs	11201	Advances to Public Officers	35,000,000	35,000,000	130,000,000	—
29	Minister of Trade, Commerce and Food Security	11601	Advances to Public Officers	20,000,000	4,500,000	70,000,000	—
30	Minister of Transport and Highways	11701	Advances to Public Officers	35,000,000	16,500,000	120,000,000	—
31	Minister of Agriculture and Plantation Industries	11801	Advances to Public Officers	133,000,000	55,800,000	398,200,000	—
32	Minister of Power and Energy	11901	Advances to Public Officers	8,700,000	5,500,000	35,000,000	—
33	Minister of Tourism and Lands	12201	Advances to Public Officers	23,000,000	16,000,000	120,000,000	—
34	Minister of Urban Development and Housing	12301	Advances to Public Officers	50,000,000	20,000,000	160,000,000	—
35	Minister of Education	12601	Advances to Public Officers	3,154,000,000	1,120,000,000	6,000,000,000	—
36	Minister of Public Administration, Home Affairs, Provincial Councils and Local Government	13001	Advances to Public Officers	100,000,000	40,000,000	300,000,000	—

37	Minister of Industries	14901 Advances to Public Officers	35,000,000	17,000,000	210,000,000	—
38	Minister of Fisheries	15101 Advances to Public Officers	10,000,000	7,000,000	40,000,000	—
39	Minister of Environment	16001 Advances to Public Officers	30,000,000	9,000,000	80,000,000	—
40	Minister of Wildlife and Forest Resources Conservation	16101 Advances to Public Officers	7,000,000	3,500,000	30,000,000	—
41	Minister of Water Supply and Estate Infrastructure Development	16601 Advances to Public Officers	12,000,000	12,000,000	75,000,000	—
42	Minister of Women, Child Affairs and Social Empowerment	17101 Advances to Public Officers	70,000,000	37,000,000	230,000,000	—
43	Minister of Ports, Shipping and Aviation	17601 Advances to Public Officers	7,000,000	4,000,000	65,000,000	—
44	Minister of Technology	18601 Advances to Public Officers	6,000,000	800,000	9,000,000	—
45	Minister of Investment Promotion	18701 Advances to Public Officers	9,000,000	6,000,000	40,000,000	—
46	Minister of Public Security	18901 Advances to Public Officers	75,000,000	48,000,000	110,000,000	—
47	Minister of Labour and Foreign Employment	19301 Advances to Public Officers	50,000,000	34,000,000	280,000,000	—
48	Minister of Sport and Youth Affairs	19401 Advances to Public Officers	45,000,000	27,000,000	200,000,000	—
49	Minister of Irrigation	19801 Advances to Public Officers	40,000,000	10,000,000	110,000,000	—
50	Department of Buddhist Affairs	20101 Advances to Public Officers	40,000,000	20,000,000	140,000,000	—
51	Department of Muslim Religious and Cultural Affairs	20201 Advances to Public Officers	3,000,000	2,600,000	12,000,000	—
52	Department of Christian Religious Affairs	20301 Advances to Public Officers	2,500,000	1,500,000	12,000,000	—

SRL No.	Ministry / Department	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.
53	Department of Hindu Religious and Cultural Affairs	20401	Advances to Public Officers	7,000,000	5,000,000	30,000,000	—
54	Department of Public Trustee	20501	Advances to Public Officers	3,000,000	2,200,000	15,000,000	—
55	Department of Cultural Affairs	20601	Advances to Public Officers	30,000,000	19,000,000	120,000,000	—
56	Department of Archaeology	20701	Advances to Public Officers	60,000,000	35,000,000	180,000,000	—
57	Department of National Museums	20801	Advances to Public Officers	20,000,000	8,000,000	70,000,000	—
58	Department of National Archives	20901	Advances to Public Officers	6,500,000	4,000,000	30,000,000	—
59	Department of Government Information	21001	Advances to Public Officers	15,000,000	11,000,000	60,000,000	—
60	Department of Government Printing	21101	Advances to Public Officers	35,000,000	60,000,000	300,000,000	—
61	Department of Examination	21201	Advances to Public Officers	17,000,000	22,000,000	90,000,000	—
62	Department of Educational Publications	21301	Advances to Public Officers	15,000,000	9,000,000	70,000,000	—
63	Department of Educational Publications	21302	Printing and Publicity and Sales of Publications	20,000,000,000	20,000,000,000	18,000,000,000	10,000,000,000
64	Department of Technical Education and Training	21501	Advances to Public Officers	58,000,000	35,000,000	220,000,000	—

65	Department of Social Services	21601 Advances to Public Officers	20,000,000	17,000,000	100,000,000	—
66	Department of Probation and Child Care Services	21701 Advances to Public Officers	15,000,000	10,000,000	55,000,000	—
67	Department of Sports Development	21901 Advances to Public Officers	11,000,000	9,500,000	65,000,000	—
68	Department of Ayurveda	22001 Advances to Public Officers	50,000,000	32,000,000	150,000,000	—
69	Department of Labour	22101 Advances to Public Officers	75,000,000	73,000,000	290,000,000	—
70	Sri Lanka Army	22201 Advances to Public Officers	2,450,000,000	1,800,000,000	4,600,000,000	—
71	Sri Lanka Navy	22301 Advances to Public Officers	500,000,000	330,000,000	750,000,000	—
72	Sri Lanka Navy	22302 Stores Advance Account (Explosive items)	2,000,000,000	2,700,000,000	700,000,000	—
73	Sri Lanka Air Force	22401 Advances to Public Officers	400,000,000	260,000,000	800,000,000	—
74	Department of Police	22501 Advances to Public Officers	1,400,000,000	800,000,000	2,000,000,000	—
75	Department of Immigration and Emigration	22601 Advances to Public Officers	30,000,000	40,000,000	180,000,000	—
76	Department of Registration of Persons	22701 Advances to Public Officers	40,000,000	40,000,000	200,000,000	—
77	Courts Administration	22801 Advances to Public Officers	500,000,000	380,000,000	1,900,000,000	—
78	Attorney General's Department	22901 Advances to Public Officers	30,000,000	17,500,000	95,000,000	—
79	Legal Draftsman's Department	23001 Advances to Public Officers	3,500,000	3,100,000	20,000,000	—
80	Department of Debt Conciliation Board	23101 Advances to Public Officers	1,000,000	700,000	6,000,000	—
81	Department of Prisons	23201 Advances to Public Officers	145,000,000	90,000,000	255,000,000	—
82	Department of Prisons	23202 Prisons Industrial and Agricultural Undertakings	140,000,000	140,000,000	65,000,000	15,000,000

SRL No.	Ministry / Department	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.
83	Department of Government Analyst	23301	Advances to Public Officers	8,000,000	6,000,000	35,000,000	—
84	Office of the Registrar of the Supreme Court	23401	Advances to Public Officers	20,000,000	10,500,000	65,000,000	—
85	Law Commission of Sri Lanka	23501	Advances to Public Officers	2,000,000	600,000	9,000,000	—
86	Department of Official Languages	23601	Advances to Public Officers	5,000,000	4,400,000	21,000,000	—
87	Department of National Planning	23701	Advances to Public Officers	3,800,000	4,000,000	15,000,000	—
88	Department of Fiscal Policy	23801	Advances to Public Officers	3,800,000	1,800,000	11,500,000	—
89	Department of External Resources	23901	Advances to Public Officers	9,000,000	5,000,000	25,000,000	—
90	Department of National Budget	24001	Advances to Public Officers	9,000,000	5,500,000	30,000,000	—
91	Department of Public Enterprises	24101	Advances to Public Officers	6,000,000	3,500,000	15,000,000	—
92	Department of Management Services	24201	Advances to Public Officers	5,000,000	3,000,000	20,000,000	—
93	Department of Development Finance	24301	Advances to Public Officers	4,000,000	2,200,000	12,000,000	—
94	Department of Trade and Investment Policies	24401	Advances to Public Officers	4,000,000	2,000,000	15,000,000	—
95	Department of Public Finance	24501	Advances to Public Officers	4,400,000	4,000,000	14,000,000	—
96	Department of Inland Revenue	24601	Advances to Public Officers	60,000,000	80,000,000	400,000,000	—

97	Sri Lanka Customs	24701 Advances to Public Officers	55,000,000	55,000,000	220,000,000	—
98	Sri Lanka Customs	24702 Seized and forfeited goods Advance Account	8,000,000	5,000,000	70,000,000	—
99	Department of Excise	24801 Advances to Public Officers	40,000,000	41,000,000	170,000,000	—
100	Department of Treasury Operations	24901 Advances to Public Officers	8,000,000	4,500,000	25,000,000	—
101	Department of State Accounts	25001 Advances to Public Officers	7,000,000	2,900,000	20,000,000	—
102	Department of State Accounts	25002 Advances for Payments on behalf of other Governments	1,100,000	800,000	700,000	—
103	Department of State Accounts	25003 Miscellaneous Advances	10,000,000	1,500,000	145,000,000	—
104	Department of Valuation	25101 Advances to Public Officers	30,000,000	25,000,000	115,000,000	—
105	Department of Census and Statistics	25201 Advances to Public Officers	50,000,000	30,000,000	150,000,000	—
106	Department of Pensions	25301 Advances to Public Officers	60,000,000	40,000,000	210,000,000	—
107	Department of Registrar-General	25401 Advances to Public Officers	150,000,000	80,000,000	320,000,000	—
108	District Secretariat , Colombo	25501 Advances to Public Officers	90,000,000	70,000,000	310,000,000	—
109	District Secretariat, Gampaha	25601 Advances to Public Officers	140,000,000	114,000,000	500,000,000	—
110	District Secretariat , Kalutara	25701 Advances to Public Officers	110,000,000	90,000,000	460,000,000	—
111	District Secretariat, Kandy	25801 Advances to Public Officers	140,000,000	114,000,000	430,000,000	—
112	District Secretariat , Matale	25901 Advances to Public Officers	80,000,000	59,000,000	310,000,000	—
113	District Secretariat, Nuwara-Eliya	26001 Advances to Public Officers	60,000,000	45,000,000	210,000,000	—
114	District Secretariat, Galle	26101 Advances to Public Officers	140,000,000	99,000,000	320,000,000	—
115	District Secretariat, Matara	26201 Advances to Public Officers	120,000,000	91,000,000	430,000,000	—
116	District Secretariat, Hambantota	26301 Advances to Public Officers	80,000,000	65,000,000	340,000,000	—
117	District Secretariat/ Kachcheri-Jaffna	26401 Advances to Public Officers	100,000,000	76,000,000	280,000,000	—

SRL No.	Ministry / Department	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.
118	District Secretariat/ Kachcheri-Mannar	26501	Advances to Public Officers	26,000,000	16,000,000	80,000,000	—
119	District Secretariat/ Kachcheri-Vavuniya	26601	Advances to Public Officers	26,000,000	18,000,000	100,000,000	—
120	District Secretariat/ Kachcheri-Mullaitivu	26701	Advances to Public Officers	44,000,000	12,000,000	70,000,000	—
121	District Secretariat/ Kachcheri-Killinochchi	26801	Advances to Public Officers	44,000,000	15,500,000	92,000,000	—
122	District Secretariat/ Kachcheri-Batticaloa	26901	Advances to Public Officers	70,000,000	54,000,000	230,000,000	—
123	District Secretariat - Ampara	27001	Advances to Public Officers	110,000,000	73,000,000	310,000,000	—
124	District Secretariat/ Kachcheri-Trincomalee	27101	Advances to Public Officers	65,000,000	35,000,000	205,000,000	—
125	District Secretariat, Kurunagala	27201	Advances to Public Officers	180,000,000	152,000,000	525,000,000	—
126	District Secretariat, Puttalam	27301	Advances to Public Officers	70,000,000	67,000,000	270,000,000	—
127	District Secretariat, Anuradhapura	27401	Advances to Public Officers	110,000,000	81,000,000	260,000,000	—
128	District Secretariat, Polonnaruwa	27501	Advances to Public Officers	40,000,000	33,000,000	160,000,000	—
129	District Secretariat, Badulla	27601	Advances to Public Officers	95,000,000	71,000,000	360,000,000	—
130	District Secretariat, Monaragala	27701	Advances to Public Officers	65,000,000	43,000,000	240,000,000	—

131	District Secretariat, Ratnapura	27801	Advances to Public Officers	95,000,000	70,000,000	400,000,000	—
132	District Secretariat, Kegalle	27901	Advances to Public Officers	90,000,000	72,500,000	300,000,000	—
133	Department of Project Management and Monitoring	28001	Advances to Public Officers	4,000,000	3,500,000	20,000,000	—
134	Department of Agrarian Development	28101	Advances to Public Officers	350,000,000	180,000,000	650,000,000	—
135	Department of Irrigation	28201	Advances to Public Officers	250,000,000	160,000,000	800,000,000	—
136	Department of Forest Conservation	28301	Advances to Public Officers	70,000,000	55,000,000	270,000,000	—
137	Department of Wildlife Conservation	28401	Advances to Public Officers	75,000,000	55,000,000	310,000,000	—
138	Department of Agriculture	28501	Advances to Public Officers	300,000,000	200,000,000	1,000,000,000	—
139	Department of Agriculture	28502	Maintenance of Agricultural Farms and Seed Sales	1,000,000,000	1,000,000,000	100,000,000	—
140	Department of Land Commissioner General	28601	Advances to Public Officers	25,000,000	16,000,000	80,000,000	—
141	Department of Land Title Settlement	28701	Advances to Public Officers	40,000,000	20,000,000	80,000,000	—
142	Department of Surveyor General of Sri Lanka	28801	Advances to Public Officers	200,000,000	115,000,000	400,000,000	—
143	Department of Export Agriculture	28901	Advances to Public Officers	50,000,000	35,000,000	150,000,000	—
144	Department of Fisheries and Aquatic Resources	29001	Advances to Public Officers	25,000,000	21,000,000	130,000,000	—
145	Department of Coast Conservation and Coastal Resource Management	29101	Advances to Public Officers	15,000,000	8,500,000	47,000,000	—

SRL No.	Ministry / Department	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.
146	Department of Animal Production and Health	29201	Advances to Public Officers	35,000,000	25,000,000	85,000,000	—
147	Department of Rubber Development	29301	Advances to Public Officers	30,000,000	16,000,000	80,000,000	—
148	Department of National Zoological Gardens	29401	Advances to Public Officers	40,000,000	17,000,000	120,000,000	—
149	Department of Import and Export Control	29601	Advances to Public Officers	8,000,000	3,800,000	25,000,000	—
150	Department of The Registrar of Companies	29701	Advances to Public Officers	8,000,000	4,500,000	35,000,000	—
151	Department of Measurement Units, Standards and Services	29801	Advances to Public Officers	10,000,000	5,000,000	45,000,000	—
152	National Intellectual Property Office of Sri Lanka	29901	Advances to Public Officers	5,000,000	2,500,000	17,000,000	—
153	Department of Food Commissioner	30001	Advances to Public Officers	5,000,000	3,000,000	22,000,000	—
154	Department of Co-operative Development (Registrar of Co-operative Societies)	30101	Advances to Public Officers	5,000,000	2,400,000	17,000,000	—
155	Co-operative Employees Commission	30201	Advances to Public Officers	1,000,000	500,000	6,000,000	—

156	Department of Textile Industries	30301	Advances to Public Officers	5,000,000	3,500,000	30,000,000	—
157	Department of Meteorology	30401	Advances to Public Officers	15,000,000	8,700,000	60,000,000	—
158	Department of Sri Lanka Railways	30601	Advances to Public Officers	500,000,000	450,000,000	1,350,000,000	—
159	Department of Sri Lanka Railways	30602	Railway Stores Advance Account	2,500,000,000	2,500,000,000	10,000,000,000	2,000,000,000
160	Department of Motor Traffic	30701	Advances to Public Officers	26,000,000	30,000,000	140,000,000	—
161	Department of Posts	30801	Advances to Public Officers	900,000,000	720,000,000	2,400,000,000	—
162	Department of Buildings	30901	Advances to Public Officers	25,000,000	18,000,000	95,000,000	—
163	Department of Government Factories	31001	Advances to Public Officers	25,000,000	16,000,000	125,000,000	—
164	Department of Government Factories	31002	Government Factory Stores Advance Account	200,000,000	200,000,000	40,000,000	50,000,000
165	Department of Government Factories	31003	Government Factory Work Done Advance Account	400,000,000	400,000,000	190,000,000	—
166	Department of National Physical Planning	31101	Advances to Public Officers	15,000,000	6,000,000	50,000,000	—
167	Department of Civil Security	32001	Advances to Public Officers	450,000,000	340,000,000	900,000,000	—
168	Department of National Botanical Gardens	32201	Advances to Public Officers	25,000,000	23,000,000	110,000,000	—
169	Department of Legal Affairs	32301	Advances to Public Officers	1,000,000	500,000	3,500,000	—
170	Department of Management Auditing	32401	Advances to Public Officers	3,000,000	2,000,000	10,000,000	—

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				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.
171	Department of Community Based						
	Corrections	32601	Advances to Public Officers	50,000,000	10,000,000	86,000,000	—
172	Department of Land Use Policy						
	Planning	32701	Advances to Public Officers	20,000,000	15,000,000	75,000,000	—
173	Department of Manpower and						
	Employment	32801	Advances to Public Officers	30,000,000	13,000,000	100,000,000	—
174	Department of Information						
	Technology Management	32901	Advances to Public Officers	3,400,000	1,800,000	12,000,000	—
175	Department of Samurdhi						
	Development	33101	Advances to Public Officers	250,000,000	180,000,000	400,000,000	—
176	Department of National Community						
	Water Supply	33201	Advances to Public Officers	20,000,000	6,500,000	150,000,000	—
177	Office of the Comptroller General	33301	Advances to Public Officers	1,500,000	1,200,000	6,300,000	—
178	National Education Commission	33501	Advances to Public Officers	1,500,000	700,000	1,500,000	—
179	Merchant Shipping Secretariat	33601	Advances to Public Officers	5,000,000	1,500,000	6,000,000	—
180	Department of Cinnamon	33701	Advances to Public Officers	2,000,000	100,000	5,000,000	—
	Industry Development						

181	Non-cabinet Minister of State						
	Plantation Enterprises Reforms	50101	Advances to Public Officers	2,000,000	200,000	1,800,000	—

Total				<u>44,907,000,000</u>	<u>38,907,000,000</u>	<u>76,087,500,000</u>	<u>12,065,000,000</u>
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English Acts of the Parliament can be purchased at the "Prakashana Piyasa", Department of
Government Printing, No. 118, Dr. Danister De Silva Mawatha, Colombo 8.