

PETROLEUM PRODUCTS (REGULATION AND CONTROL OF SUPPLIES)

CHAPTER 221

PETROLEUM PRODUCTS (REGULATION AND CONTROL OF SUPPLIES)

Act No. 34 of 1979.

AN ACT TO PROVIDE FOR THE REGULATION AND CONTROL OF THE DISTRIBUTION AND USE OF PETROLEUM PRODUCTS WITH A VIEW TO ENSURING THE FAIR DISTRIBUTION OF SUCH PRODUCTS, AND TO THE CONSERVATION OF SUPPLIES THEREOF; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

[Section 1 and Parts I and IX—31st May. 1979.]

Short title and dates of operation.

1. (t) This Act may be cited as the Petroleum Products (Regulation and Control of Supplies) Act.

(2) The provisions of this Act shall come into operation as follows:—

(a) the provisions of this section and the provisions of Parts I and IX of this Act shall come into operation on the 31st day of May, 1979;

(b) the provisions of Parts II, III, IV, V, VI, VII and VIII of this Act shall come into operation on such date or dates as the Minister may appoint by Order published in the Gazette. Different dates may be appointed in respect of different Parts of this Act.

(3) Where any Part of this Act is brought into operation by an Order made under paragraph (b) of subsection (2), the provisions of that Part shall continue to be in operation until such Order is revoked by the Minister by a like Order published in the Gazette.

(4) The revocation of an Order made under paragraph (b) of subsection (2) bringing any Part of this Act into operation shall be deemed not to prejudice the power of the Minister to bring such Part into operation at any time after such revocation by a subsequent Order made under that paragraph.

PART I

ADMINISTRATION

2. (1) There may be appointed, for the purposes of this Act—

Appointment of officers and servants.

(a) by name or by office, a Competent Authority for Petroleum Products (in this Act referred to as "the Authority") and such number of Petroleum Controllers, Deputy Petroleum Controllers and Assistant Petroleum Controllers as may be necessary for the purpose of carrying out or giving effect to the provisions of this Act;

(b) such other officers and servants as may be necessary to assist the officers referred to in paragraph (a), in the administration of this Act.

(2) The Authority may, in writing, delegate to any Petroleum Controller, Deputy Petroleum Controller or Assistant Petroleum Controller any power, duty or function conferred or imposed on, or assigned to, such Authority by this Act.

PART II

RESTRICTION ON SALES, &C., OF PETROL

3. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain petrol unless he is an approved Purchase of petrol.

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consumer of petrol and is the holder of a valid permit issued by the Authority in respect of petrol.

Certain persons deemed to have been approved as consumers of petrol.

4. (1) Every person who is registered under the Motor Traffic Act as the owner of a petrol-driven motor vehicle and holds—

- (a) a certificate of registration ;
- (b) a valid revenue licence ; and
- (c) a valid certificate of insurance,

issued, under that Act, in respect of that vehicle, shall, so long and so long only as he continues to be so registered, be deemed to have been approved by the Authority under this Act as a consumer of petrol.

(2) The Authority may require any person who is deemed by virtue of the preceding provisions of this section, to have been approved under this Act as a consumer of petrol, to furnish such information as the Authority may require to enable him to determine the quantity of petrol which such person should be authorized to obtain during any period.

(3) Nothing in this Act shall be read or construed as requiring any person who is deemed by virtue of the preceding provisions of this section to have been approved under this Act as a consumer of petrol to apply under section 5 for approval as a consumer of petrol.

Application for approval as consumer of petrol.

5. (1) Every application for the approval of a person as a consumer of petrol shall be made to the Authority and shall set out—

- (a) a description of the vehicle, vessel, aircraft, plant or machinery for which petrol is required by that person, and in the case of a vehicle, the registered number, make and horse-power thereof;
- (b) the purpose for which such vehicle, vessel, aircraft, plant or machinery is intended to be employed ;
- (c) the monthly average quantity of petrol purchased by the applicant

during the twelve months immediately preceding the date on which the application is made;

- (d) the estimated monthly average quantity of petrol required by the applicant after such date; and
- (e) particulars of such other matters may be prescribed.

(2) Every applicant who desires to take delivery of any petrol otherwise than in the tank of a vehicle, vessel or aircraft shall specify in his application the manner in which he proposes to take delivery of the petrol and his reasons for requiring delivery in such manner.

(3) The Authority may provide forms of application for the purposes of this section and where such forms are provided, application shall be made in the form so provided.

6. (1) The Authority may refuse to approve any person as a consumer of petrol, if having regard to—

- (a) the stocks of petrol in Sri Lanka;
- (b) the necessity for conserving such stocks for use for public purposes and the maintenance of essential services; and
- (c) the purposes for which petrol is required by such person,

Power of Authority to refuse approval of person as consumer of petrol.

the Authority is satisfied that such person should not be authorized to obtain supplies of petrol.

(2) Where the Authority refuses to approve any person as a consumer of petrol—

- (a) the Authority shall give notice of such refusal by registered letter sent through the post to such person at the address specified by him in his application;
- (b) that person may, within two weeks of the receipt of such notice, prefer an appeal to the Secretary to the Ministry against such refusal.

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(3) The decision of the Secretary on any appeal preferred under subsection (2) shall be final.

Issue of permits to approved consumers.

7. (1) Where a person is approved, or is deemed to have been approved, as a consumer of petrol, the Authority' may, from time to time and having regard to—

- (a) the stocks of petrol currently available in Sri Lanka;
- (b) the necessity for conserving such stocks for use for public purposes and the maintenance of essential services; and
- (c) the purpose for which such petrol is required by such person,

determine the quantity of petrol which that person may be authorized to obtain during any period, and may issue to him one or more permits to which shall be attached such number of coupons as may be necessary to enable him to obtain that quantity of petrol during that period.

(2) Where the Authority has determined, under subsection (1), the quantity of petrol that an approved consumer may be authorized to obtain during any period, he may, having regard to the matters set out in paragraphs (a), (b) and (c) of subsection (1), vary such determination at any time during that period.

(3) No permit issued under subsection (1) and no coupon attached to any such permit shall be valid except during the period in respect of which such permit or coupon is issued.

(4) No permit shall authorize any person to purchase or obtain petrol at any place other than at a retail depot:

Provided, however, that the Authority may by entry made in a permit issued to an approved consumer of petrol authorize such consumer to purchase or obtain petrol direct from the Corporation.

Prohibition of sale and transfer of permits, &c.

8. No approved consumer of petrol shall—

- (a) sell or transfer to any other person any permit issued to that consumer or any coupon attached to any such permit; or

(b) deliver such permit or coupon to any other person except for the purpose of enabling that person to purchase or obtain petrol for the use of that consumer; or

(c) deliver any such coupon to a vendor or to the Corporation except for the purpose of purchasing or obtaining petrol from the vendor or the Corporation, in accordance with the terms of the permit to which that coupon is attached ; or

(d) sell or deliver to any other person petrol purchased or obtained under the authority of a permit issued to that consumer.

9. (I) Where any person has been approved, or is deemed to have been approved, under this Act, as a consumer of petrol, the Authority may revoke such approval—

Revocation of approval as a consumer of petrol.

(a) if he is satisfied that such person has contravened any of the provisions of this Act or has failed to comply with any directions issued or given by the Authority under this Act or has knowingly made a false statement in any application or return made or furnished thereunder; or

(b) if, having regard to—

- (i) the stocks of petrol currently available in Sri Lanka;
- (ii) the necessity of conserving such-stocks for use for public purposes and the maintenance of essential services;
- (iii) the purposes for which petrol is required by that person,

the Authority is satisfied that such person should not be authorized to obtain supplies of petrol.

(2) Where the approval of any person as a consumer of petrol is revoked by the Authority under subsection (I)—

(a) the Authority shall give notice of such revocation by registered letter sent through the post to that person at the address specified by him in his

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application for approval as a consumer or in the case of a person deemed to have been approved as a consumer of petrol by virtue of his being the registered owner of a motor vehicle, at the address specified in the certificate of registration issued under the Motor Traffic Act, in respect of that vehicle;

(b) that person may, within two weeks of the date of receipt by him of the notice and on payment of a fee of five rupees, prefer an appeal to the Secretary to the Ministry against such revocation.

(3) The decision of the Secretary on any appeal preferred under subsection (2) shall be final.

(4) Where the approval of any person as a consumer of petrol is revoked by the Authority under subsection (1) or where any person ceases to be an approved consumer of petrol, such person shall surrender to the Authority, every permit issued to him by the Authority under section 7.

Provision as to sale or delivery of petrol.

10. (1) From and after the coming into operation of this Part of this Act, no person shall sell or deliver any quantity of petrol to any other person unless—

(a) such sale or delivery takes place at a retail depot or at the Corporation, and a valid permit is produced by that other person to the vendor in respect of that depot, or to an agent or servant of the Corporation; and

(b) a valid coupon or valid coupons representing that quantity of that product is or are detached by that vendor or that agent or servant from that permit.

Nothing in this subsection shall apply to the sale or delivery of petrol to a vendor by the Corporation or an authorized agent of the Corporation.

(2) Where any person (in this subsection referred to as the "buyer") produces to a person working at a retail depot, a permit authorizing the buyer to purchase or obtain petrol and such permit bears an entry to the effect that the buyer is authorized to purchase or obtain petrol for the purposes of a motor vehicle, then, such person working at such retail depot—

(a) shall not, except in the case referred to in paragraph (b) of this subsection, deliver such petrol to the buyer otherwise than in the tank of a vehicle;

(b) shall, if so required by the buyer, deliver such petrol to the buyer otherwise than in the tank of a vehicle if the permit produced by the buyer authorizes the delivery of petrol in such manner as the buyer may require; and

(c) shall, except in the case referred to in paragraph (b) of this subsection, deliver such petrol to the buyer by pouring or discharging it into the tank of the vehicle which bears, as the distinctive number (in this Act sometimes referred to as the "registered number") assigned to that vehicle upon its registration under the Motor Traffic Act, the number specified in the permit produced by the buyer as the number of the vehicle for the purpose of which the buyer is authorized to purchase or obtain petrol:

Provided, however, that nothing in the provisions of paragraph (c) of this subsection shall be deemed to prevent the delivery of petrol in any manner other than that prescribed by these provisions, if the permit so authorizes.

(3) Where at any time at any retail depot any person, other than the vendor in respect of that depot at that time, sells or delivers any petrol to any other person in contravention of any of the preceding provisions of this section, that vendor shall also be guilty of the offence constituted by such contravention.

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(4) The preceding provisions of this section shall apply in the case of the sale or delivery of any petrol at a retail depot to the vendor in respect of that depot or into the tank of any vehicle belonging to that vendor, in like manner as those provisions apply in the case of the sale or delivery of petrol to any other person or into the tank of any vehicle belonging to any other person.

Deficiency or excess of stocks at retail depots..

11. (1) From and after the date of coming into operation of this Part of this Act, where the aggregate of—

- (a) the quantity of petrol in stock at a retail depot on any date (in this subsection referred to as the "relevant date"), and
- (b) the quantity of petrol represented by such of the coupons issued by the Authority as have been surrendered at that depot between the date on which the stocks of petrol at that depot were last ascertained by the Authority and the relevant date,

is less than the aggregate of—

- (i) the quantity of petrol in stock at the depot on the date on which stocks of petrol at that depot were last ascertained by the Authority, and
- (ii) the quantity of petrol, if any, supplied to that depot by the Corporation or an authorized dealer of the Corporation between the date on which stocks of petrol at that depot were last ascertained by the Authority and the relevant date,

it shall be presumed that petrol has been sold at that depot in contravention of subsection (1) of section 10 and that the vendor in respect of that depot is guilty of the offence constituted by such contravention unless he proves to the satisfaction of the court that that deficiency in the stocks of petrol was due to any unavoidable cause.

(2) From and after the date of coming into operation of this Part of this Act, where the aggregate of—

- (a) the quantity of petrol in stock at a retail depot OR any date (in this subsection referred to as the "relevant date"); and
- (b) the quantity of petrol represented by such of the coupons issued by the Authority as have been surrendered at that depot between the date on which the stocks of petrol at that depot were last ascertained by the Authority and the relevant date,

is more than the aggregate of—

- (i) the quantity of petrol in stock at that depot on the date on which stocks of petrol at that depot were last ascertained by the Authority; and
- (ii) the quantity of petrol, if any, supplied to that depot by the Corporation or an authorized dealer of the Corporation between the date on which stocks of petrol at that depot were last ascertained by the Authority and the relevant date,

the vendor in respect of that depot shall be guilty of an offence unless he proves to the satisfaction of the court that the excess in the stocks of petrol was due to any unavoidable cause or was obtained by lawful means.

12. From and after the date of coming into operation of this Part of this Act, every vendor shall, from time to time, in accordance with such directions as the Authority may issue, transmit to such officer as the Authority may specify in those directions or to the Corporation, all coupons surrendered to him under section 10, upon the sale or delivery of petrol.

Duties of vendor upon sale of petrol.

13. From and after the date of coming into operation of this Part of this Act, every person, other than a vendor or the Corporation, who on that date has in his possession, otherwise than in the tank of a vehicle, vessel or aircraft, any quantity of petrol in excess of ten gallons, shall, before the expiry period of two weeks from that date, furnish to the Authority a return specifying the quantity of petrol which is in his possession; and the Authority may,

Returns by persons other than vendors.

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notwithstanding that that person has been approved or deemed to have been approved under this Act as a consumer of petrol, refuse to issue any permit to him in respect of the period during which the quantity so specified will, in the opinion of the Authority, be sufficient for the purposes for which petrol is required by that person.

petrol is stored or suspected to be stored, for the purpose of ascertaining the quantity of petrol stored therein;

(b) to inspect and test any measuring instrument at any retail depot for the purpose of ascertaining whether the instrument is false.

Restrictions as to sale, &c. of petrol by the Corporation.

14. From and after the date of coming into operation of this Part of this Act—

(1) the Corporation shall not sell or deliver petrol to any vendor except in accordance with such directions as the Authority may from time to time issue in regard to the quantity of petrol which may be sold or delivered to that vendor and the time at which such delivery may be made;

(2) the Corporation shall not sell or deliver any quantity of petrol to any person other than a vendor except upon production, by or on behalf of that person, of a valid permit bearing an entry authorizing that person to purchase or obtain that quantity of petrol direct from the Corporation.

Restriction of possession, powers of search, &c.

15. (1) From and after the date of coming into operation of this Part of this Act, no person other than the Corporation or a vendor shall—

(a) if such person is an approved consumer of petrol, stock or have in his possession any quantity of petrol in excess of the quantity which he is authorized to purchase or obtain under the authority of a permit issued under this Act for the period in respect of which such permit is issued ; or

(b) if such person is not an approved consumer of petrol, stock or have in his possession any quantity, of petrol,

(2) It shall be lawful for any authorized officer—

(a) to enter and search any premises, vehicle, vessel or aircraft in which

PART III
RESTRICTION ON SALES, &C., OF
KEROSENE

16. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain kerosene unless he is an approved consumer of kerosene and is the holder of a valid permit issued by the Authority in respect of kerosene.

Restriction on purchase of kerosene

17. (1) Every person whose name is entered in a householders' list and who is designated therein, as the chief householder shall, so long and so long only as such person continues to be so designated, be deemed to have been approved by the Authority under this Act as a consumer of kerosene.

Certain persons deemed to have been approved of as consumers of kerosene.

In this section, "householders' list" means the list prepared and maintained by the Food Controller for the purposes of the system of rationing administered by him.

(2) The Authority may require any person who is deemed by virtue of subsection (1) to have been approved as-a consumer of kerosene, to furnish such information as the Authority may require to enable him to determine the quantity of kerosene which such person should be authorized to obtain during any period.

(3) Nothing in this Act shall be read or construed as requiring any person who is deemed by virtue of subsection (1) to have been approved under this Act as a consumer of kerosene to apply under this Act for approval as a consumer of kerosene.

18. The provisions of sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of kerosene, the power of the

Application of certain provisions of Part 11.

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Authority to refuse approval of a person as a consumer of kerosene, issue of permits to approved consumers of kerosene, prohibition of sale and transfer of permits issued to approved consumers of kerosene, revocation of approval as a consumer of kerosene, the sale and delivery of kerosene, the deficiency or excess of stocks of kerosene at retail depots, duties of vendors upon sale of kerosene, returns to be furnished by persons in possession of kerosene, restriction of sale of kerosene by the Corporation and the restriction on possession of kerosene.

deemed by virtue of subsection (1) to have been approved as a consumer of auto-diesel to apply under this Act for approval as a consumer of auto-diesel.

21. The provisions of sections 5, 6, 7, 8, 9, 10, II, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of auto-diesel, the power of the Authority to refuse approval of a person as a consumer of auto-diesel, issue of permits to approved consumers of auto-diesel, prohibition of sale and transfer of permits issued to approved consumers of auto-diesel, revocation of approval as a consumer of auto-diesel, the sale and delivery of auto-diesel, the deficiency or excess of stocks of auto-diesel at retail depots, duties of vendors upon sale of auto-diesel, returns to be furnished by persons in possession of auto-diesel, restriction of sale of auto-diesel by the Corporation and the restriction on possession of auto-diesel.

Application of certain provisions of Part II.

PART IV

RESTRICTION ON SALE, &C., OF AUTO-DIESEL

Restriction on purchase of auto-diesel,

19. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain auto-diesel unless he is an approved consumer of auto-diesel and is the holder of a valid permit issued by the Authority in respect of auto-diesel.

Certain persons deemed to be approved consumers of auto-diesel.

20. (1) Every person who is registered under the Motor Traffic Act as the owner of a diesel-driven motor vehicle and holds—

- (a) a certificate of registration ;
- (b) a valid revenue licence ; and
- (c) a valid certificate of insurance,

issued under that Act, in respect of that vehicle shall, so long and so long only as he continues to be so registered, be deemed to have been approved by the Authority under this Act as a consumer of auto-diesel.

(2) The Authority may require any person who is deemed by virtue of subsection (1) to have been approved under this Act as a consumer of auto-diesel to furnish such information as the Authority may require to enable him to determine the quantity of auto-diesel which such person should be authorized to obtain during any period.

(3) Nothing in this Act shall be read or construed as requiring any person who is

PART V
RESTRICTION ON SALES, &C., OF HEAVY DIESEL

22. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain any heavy diesel unless he is an approved consumer of heavy diesel and is the holder of a valid permit issued by the Authority in respect of heavy diesel.

Restriction on purchase of heavy diesel.

23. The provisions of sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of heavy diesel, the power of the Authority to refuse approval of a person as a consumer of heavy diesel, issue of permits to approved consumers of heavy diesel, revocation of approval as a consumer of heavy diesel, prohibition of sale and transfer of permits issued to approved consumers of heavy diesel, the sale and delivery of heavy diesel, the deficiency or excess of stocks of heavy diesel at retail depots, duties of vendors upon sale of heavy diesel, returns to be furnished by persons in possession of heavy diesel, restriction of sale of heavy diesel by the Corporation and the restriction on possession of heavy diesel.

Application of certain provisions of Part II.

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PART VI

RESTRICTION ON SALES, &C., OF FURNACE OIL

Restriction on purchase of furnace oil,

24. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain any furnace oil unless he is an approved consumer of furnace oil and is the holder of a valid permit issued by the Authority in respect of furnace oil.

Application of certain provisions of Part 11.

25. The provisions of sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of furnace oil, the power of the Authority to refuse approval of a person as a consumer of furnace oil, issue of permits to approved consumers of furnace oil, prohibition of sale and transfer of permits issued to approved consumers of furnace oil, revocation of approval as a consumer of furnace oil, the sale and delivery of furnace oil, the deficiency or excess of stocks of furnace oil at retail depots, duties of vendors upon sale of furnace oil, returns to be furnished by persons in possession of furnace oil, restriction of sale of furnace oil by the Corporation and the restriction on possession of furnace oil,

issued to approved consumers of liquid petroleum gas, revocation of approval as a consumer of liquid petroleum gas, the sale and delivery of liquid petroleum gas, the deficiency or excess of stocks of liquid petroleum gas, returns to be furnished by persons in possession of liquid petroleum gas, restriction on sale of liquid petroleum gas by the Corporation and the restriction on possession of liquid petroleum gas.

PART III

RESTRICTION ON SALES, &C., OF AVIATION TURBINE FUEL

28. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain any aviation turbine fuel unless he is an approved consumer of aviation turbine fuel and is the holder of a valid permit issued by the Authority in respect of aviation turbine fuel.

Restriction on purchase of aviation turbine fuel.

29. The provisions of sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of aviation turbine fuel. the power of the Authority to refuse approval of a person as a consumer of aviation turbine fuel, issue of permits to approved consumers of aviation turbine fuel, prohibition of sale and transfer of permits issued to approved consumers of aviation turbine fuel, revocation of approval as a consumer of aviation turbine fuel, the sale and delivery of aviation turbine fuel, the deficiency or excess of stocks of aviation turbine fuel at retail depots, duties of vendors upon sale of aviation turbine fuel, returns to be furnished by persons in possession of aviation turbine fuel, restriction of sale of aviation turbine fuel by the Corporation and the restriction on possession of aviation turbine fuel.

Application of certain provisions of Part 11.

PART VII

RESTRICTION ON SALES, &C., OF LIQUID PETROLEUM GAS

Restriction on purchase of liquid petroleum gas.

26. From and after the date of coming into operation of this Part of this Act, no person other than a vendor shall purchase or obtain any liquid petroleum gas unless he is an approved consumer of liquid petroleum gas and is the holder of a valid permit issued by the Authority in respect of liquid petroleum gas.

PART IX

GENERAL

Application of certain provisions of Part 11.

27. The provisions of sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 shall, *mutatis mutandis*, apply to applications for approval as consumers of liquid petroleum gas, the power of the Authority to refuse approval of a person as a consumer of liquid petroleum gas, issue of permits to approved consumers of liquid petroleum gas, prohibition of sale and transfer of permits

30. (1) Every vendor shall furnish to the Authority such returns and other information as the Authority may from time to time require relating to the quantity of any petroleum product in his possession and to the sale or delivery of any petroleum product to approved consumers and other persons and to the coupons surrendered to him for the purpose of such sale or delivery.

Returns. &c. by vendors and suppliers.

(2) The Corporation—

- (a) shall, before the expiry of a period of two weeks from the date of coming into operation of this Part of this Act, furnish to the Authority a statement setting out the name of every vendor to whom any petroleum product is sold or delivered by the Corporation for the purpose of sale and the address of the depot at which that product is sold by that vendor;
- (b) shall furnish to the Authority such returns and other information as the Authority may from time to time require relating to the stocks of any petroleum product in its possession or under its control or expected to arrive in Sri Lanka, and to the sale or delivery of any petroleum product to vendors and other persons.

31. The Authority may, having regard to—

- (a) the stocks of any petroleum product in Sri Lanka;
- (b) the necessity for conserving such "stocks for use for public purposes and the maintenance of essential services;
- (c) the coupons transmitted under section 12 or section 12 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 in respect of that product,

issue directions to the Corporation as to the quantities of such product that may be supplied or delivered to vendors and the times at which deliveries of such quantities may be made.

32. (^1) Any person who has any forged coupon in his possession or tenders any forged coupon for the purpose of obtaining any petroleum product, shall be guilty of an offence, unless he proves to the satisfaction of the court—

- (a) that the coupon was attached to a permit issued to him by the Authority, or by any other officer or person acting on behalf of the Authority, or by any person purporting to act and reasonably believed to have been acting on behalf of the Authority at the place at which permits are ordinarily issued to him ; or
- (b) that the coupon was delivered to him by some other person, of whom he was the agent or servant, for the purpose of enabling him to obtain that product from a vendor for the use of such other person; or
- (c) that, at the time of the commission of the alleged offence, he was a vendor, and the coupon was detached by him from a permit in accordance with the provisions of section 10 or section 10 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 upon the sale or delivery of a petroleum product to another person at a retail depot of such vendor, and the coupon could not reasonably have been suspected to be a forged coupon; or
- (d) that, at the time of the commission of the alleged offence, he was the agent or servant of the Corporation and—
 - (i) the coupon was transmitted to him by a vendor in accordance with the provisions of section 12 or section 12 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 ; or
 - (ii) the coupon was detached by him from a permit in accordance with the provisions of section 10 or section 10 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 upon the sale or delivery of a petroleum product to another person at the Corporation.

Power of Authority to regulate supplies to vendors.

Possession of forged, invalid or cancelled coupons, &c-

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- (2) Any person who—
- (a) has in his possession a coupon that has been surrendered to the vendor in respect of a retail depot for the purpose of obtaining any petroleum product, or tenders any invalid coupon for the purpose of obtaining any petroleum product; or
 - (ii) the coupon was detached by him from a permit in accordance with the provisions of section 10 or section 10 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 upon the sale or delivery of a petroleum product to another person at the Corporation.

- (b) has in his possession or tenders for the purpose of obtaining any petroleum product, any coupon that has been cancelled by or under the direction of the Authority,

33. (1) Any person who makes or counterfeits, or has in his possession, any plate, die or stamp or other instrument or material used or capable of being used for forging permits or coupons shall be guilty of an offence. Possession. &c. of instruments for forging coupons

shall be guilty of an offence:

Provided, however, that no person shall be deemed to be guilty of an offence by reason only of the possession of any coupon referred to in paragraph (a) of this subsection if he proves to the satisfaction of the court—

(2) A prosecution for an offence under subsection (1) shall not be instituted except by, or with the sanction of, the Attorney-General.

- (a) that, at the time of the commission of the alleged offence, he was a vendor or the agent or servant of a vendor and the coupon was detached from a permit in accordance with the provisions of section 10 or section 10 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 and was in his possession in his capacity as such vendor, agent or servant; or

34. (1) It shall be lawful for any police officer of a rank not below that of Sergeant in charge of a police station to seize any permits or coupons which he has reasonable grounds to believe to be forged permits or forged coupons- Seizure of forged coupons, &c.

- (b) that, at the time of the commission of the alleged offence, he was the agent or servant of the Corporation and—

(2) If any police officer of a rank not below that of Assistant Superintendent has reasonable grounds for suspicion that any forged permits- or forged coupons or any instruments or materials used for forging permits or coupons are concealed, kept or deposited in any place and is satisfied that it is expedient that such place should be searched for the purpose of seizing such permits, coupons, instruments or materials and that by reason of urgency or other good cause it is impracticable to apply for a search warrant under the law relating to criminal procedure, such officer may, after recording the grounds of his suspicion—

- (i) the coupon had been transmitted to the Corporation in accordance with the provisions of section 12 or section 12 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 and was in his possession in his capacity as such agent or servant; or

- (a) enter and search such place and seize any permits, coupons, instruments or materials found therein and reasonably believed to be forged permits or forged coupons or to be used for forging permits or coupons; or

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(b) by written order authorize any other police officer to exercise the powers referred to in paragraph (a) of this subsection.

(3) All documents or articles seized under subsection (1) or subsection (2), together with a list of such articles, shall be taken forthwith before the Magistrate's Court having jurisdiction in the place of seizure and shall be dealt with in such manner as the court may by order direct.

Power of Authority to give directions.

35. Where the Authority is satisfied that any consumer or vendor of any petroleum product is storing or using such product in a wasteful manner, the Authority may give such directions to such consumer or vendor as the Authority may consider necessary for the prevention, avoidance or elimination of such waste, and it shall be the duty of such consumer or vendor to comply with every such direction.

Certificate issued by Corporation to be conclusive evidence of certain facts stated therein.

36. Where in any prosecution instituted under this Act, any question arises as to whether any liquid or gas is a petroleum product, or as to the category to which a petroleum product belongs, a certificate purporting to be under the hand of the Chairman of the Board of Directors of the corporation or any person authorized in that behalf by such Chairman to the effect that such liquid or gas is a petroleum product or assigning the category to which such petroleum product belongs shall be received in evidence as conclusive proof of the facts stated therein.

Offences and penalties

37. (1) Any person who acts in contravention of any provision of this Act shall be guilty of an offence.

(2) Every person guilty of an offence under this Act other than an offence specified in subsection (3) or subsection (4) or subsection (5) shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding two thousand five hundred rupees or to imprisonment of either description for a period not exceeding two years, or to both such fine and such imprisonment.

(3) Any person who—

(a) resists or obstructs the Authority or any Petroleum Controller, Deputy

or Assistant Petroleum Controller or any authorized officer, acting under any provision of this Act; or

(b) falls or refuses to furnish any return required by or under this Act to be furnished by him, or makes in any return or in any application made under this Act, any entry or statement which is to his knowledge false or incorrect; or

(c) having obtained a permit upon the representation that the petroleum product to be purchased or obtained thereunder is required for any specified purpose, uses such product for any other purpose ; or

(d) falls or refuses to comply with any direction issued by the Authority acting under any provision of this Act.

shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one thousand rupees or to imprisonment of either description for a period not exceeding one year, or to both such fine and such imprisonment.

(4) Any person who acts in contravention of any regulation made under this Act or of the terms of any permit issued under this Act shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to a fine not exceeding five hundred rupees.

(5) (a) Where any measuring instrument kept or maintained at any retail depot is found at any time upon inspection and testing under section 15 or section 15 read with section 18 or section 21 or section 23 or section 25 or section 27 or section 29 to be false, the person for the time being in charge of the retail depot shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding five hundred rupees or to imprisonment of either description for a term not exceeding three months, or to both such fine and imprisonment.

(b) For the purposes of paragraph (a), a measuring instrument

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shall be deemed to be false if it does not deliver correctly within such limits of error as may be prescribed by regulation.

(4) Every regulation made by the Minister shall, as soon as convenient after its publication in the Gazette, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded as from the date of disapproval, but without prejudice to anything previously done thereunder.

Offences by bodies of persons.

38. Where an offence under this Act is committed by a body of persons then—

(a) if that body is a body corporate, every person who at the time of the commission of the offence was a director, secretary or other similar officer of that body ; or

(b) if that body is not a body corporate, every person who at the time of the commission of that offence was a member of that body,

shall be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of that offence as he ought to have exercised having regard to the nature of his functions and in all the circumstances.

(5) Notification of the date on which any regulation shall be deemed to be so rescinded shall be published in the Gazette.

41. The provisions of this Act shall apply to, and in relation to, the Government in its capacity as a consumer of any petroleum product. Application of Act to the Government.

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

44. (1) In this Act unless the context otherwise requires— interpretation.

Restrictions as to actions against the Corporation or vendors.

39. No civil action shall be instituted or maintained against the Corporation or any vendor for any act done or omitted to be done by such Corporation or vendor, if such act was done or omitted to be done, as the case may be, for the purpose of complying with any of the provisions of this Act-

" aircraft " includes a helicopter ;

" approved consumer " means a person approved or deemed to be approved under this Act as a consumer of any petroleum product;

Regulations.

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

" authorized officer " means any police officer not below the rank of Inspector and includes any other person acting under the written authority of the Authority ;

(2) In particular and without prejudice to the generality of the powers conferred on him by subsection (1), the Minister may make regulations for or in respect of all matters slated or required in this Act to be prescribed.

" the Corporation " means the Ceylon Petroleum Corporation established by the Ceylon Petroleum Corporation Act ;

(3) Every regulation made by the Minister shall be published in the Gazette and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

" motor vehicle " means a motor vehicle as defined in the Motor Traffic Act ;

measuring instrument " includes any vessel, pump or other device used or maintained for the measurement of any petroleum product ;

* Section 42, repealing the Petrol (Control of Supplies) Ordinance, is omitted.

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- "permit "means a permit issued by the Authority under this Act ;
- " petroleum product " means petrol, kerosene, auto-diesel, heavy diesel, furnace oil, liquid petroleum gas or aviation turbine fuel ;
- " plant or machinery " includes any lamp, stove or other device used for the purpose of lighting or cooking ;
- " regulation " means a regulation made under section 40 by the Minister ;
- " retail depot " means a service or filling station, and includes any other premises at which any petroleum product is sold by a vendor ;
- " vendor " means any person to whom any petroleum product is sold or delivered by the Corporation or by an authorized dealer of the Corporation, for the purpose of sale by retail.
- (2) A permit shall be deemed to be a valid permit for the purposes of this Act—
- (a) if any coupon which was attached to the permit when the permit was issued remains unsurrendered for the purpose of purchasing or obtaining the petroleum product in respect of which the permit was issued ; and
- (b) if the period in respect of which the permit was issued has not expired.
- (3) A coupon shall be deemed to be a valid coupon for the purposes of this Act—
- (a) if it is attached to a valid permit;
- (b) if the coupon has not been surrendered for the purpose of purchasing or obtaining from a retail depot, the petroleum product in respect of which the permit is issued ; and
- (c) the period in respect of which such coupon was issued has not expired.