

PARLIAMENT OF CEYLON

4th Session 1955



National Housing (Amendment) Act, No. 30 of 1955

Date of Assent : August 25, 1955

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AN ACT TO AMEND THE NATIONAL HOUSING ACT, No. 37
OF 1954, AND TO REPEAL THE HOUSING LOANS ACT,
No. 26 OF 1949.

[Date of Assent: August 25, 1955]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the National Housing (Amendment) Act, No. 30 of 1955.

Short title.

2. Section 6 of the National Housing Act, No. 37 of 1954 (hereinafter referred to as the "principal enactment") is hereby amended, by the addition, at the end of that section, of the following new sub-section:—

Amendment of
section 6 of
Act No. 37 of
1954.

"(3) No stamp duty shall be payable in respect of any debenture issued for the purpose of any loan raised by the Minister under sub-section (1) or in respect of any instrument of transfer of any such debenture."

3. Section 9 of the principal enactment is hereby amended as follows:—

Amendment
of section 9
of the
principal
enactment.

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

"(1) There shall be appointed—

(a) such number of persons, by name or by office, to be or to act as Deputy Commissioners for National Housing as may be deemed necessary for the purposes of this Act;

(b) such number of persons, by name or by office, to be or to act as Assistant Commissioners for National Housing as may be deemed so necessary; and

(c) such number of other officers and servants as may be deemed so necessary."

(2) in sub-section (2) of that section, by the substitution, for the words "an Assistant Commissioner", of the words "a Deputy Commissioner or an Assistant Commissioner"; and

(3) in the marginal note to that section, by the substitution, for the words "Assistant Commissioners", of the words "Deputy Commissioners and Assistant Commissioners".

Amendment of
section 11 of
the principal
enactment.

4. Section 11 of the principal enactment is hereby amended by the substitution, for all the words from "An appeal" to the end of that section, of the following:—

"The decision of the Commissioner on an application for the Commissioner's approval of an instrument of association of a building society shall, if an address is specified in the application, be notified in writing to the applicant at that address."

Amendment of
section 16 of
the principal
enactment.

5. Section 16 of the principal enactment is hereby amended, in sub-section (3) of that section, by the substitution, for all the words from "An appeal" to the end of that sub-section, of the following:—

"The decision of the Commissioner on an application for the Commissioner's approval of the alteration of the provisions of the instrument of association of a building society shall, if an address is specified in the application, be notified in writing to the applicant at that address."

Amendment of
section 17 of
the principal
enactment.

6. Section 17 of the principal enactment is hereby amended by the substitution, for the words "may appeal", of the words "may, within thirty days after the date on which notice of such refusal is given to the applicant for such approval, appeal in writing".

Replacement
of section 26
of the principal
enactment.

7. Section 26 of the principal enactment is hereby repealed and the following new section substituted therefor:—

"Application
of Part VIIIA
of this Act
to loans granted
by building
societies.

26. The Minister may by Order published in the *Gazette* declare that all or any of the provisions of Part VIIIA of this Act shall apply to loans granted by any building society specified in the Order or to loans granted by all building societies."

8. The title of Part V of the principal enactment is hereby amended by the substitution, for the word "BY" of the following:—

Amendment of title of Part V of the principal enactment.

"BY THE COMMISSIONER,".

9. Section 31 of the principal enactment is hereby repealed and the following new section substituted therefor:—

Replacement of section 31 of the principal enactment.

"Houses to which this Part applies, and interpretation of the expressions "landlord" and "occupier".

31. (1) This Part shall apply to every house provided by the Commissioner or by a building company, building society or housing body for occupation by any person, whether such occupation is upon the payment of any rent or not.

(2) Where a house is provided by the Commissioner for occupation by any person, then, with reference to that house, the expression "landlord" in this Part means the Commissioner, and the expression "occupier" in this Part means that person.

(3) Where a house is provided by a building company, building society or housing body for occupation by any person, then, with reference to that house, the expression "landlord" in this Part means such company, society or body, and the expression "occupier" means that person."

10. Section 48 of the principal enactment is hereby repealed and the following section substituted therefor:—

Replacement of section 48 of the principal enactment.

"Application of Part VIIIA of this Act to loans granted by the Commissioner.

48. The Minister may by Order published in the *Gazette* declare that all or any of the provisions of Part VIIIA of this Act shall apply to any such loan granted by the Commissioner as is specified in the Order or to all loans granted by the Commissioner."

11. Section 50 of the principal enactment is hereby amended by the addition, at the end of that section, of the following new sub-sections:—

Amendment of section 50 of the principal enactment.

"(7) No stamp duty shall be payable in respect of any instrument of disposition of Crown land under this section.

(8) Where a disposition of Crown land is to be made under this section, the Commissioner may, if there is no plan of that land made by the Surveyor-General's Department, cause a survey and plan of that land to be made by a surveyor of the Department of National Housing or by any licensed surveyor approved by the Surveyor-General."

Insertion of
Part VIIIA in
the principal
enactment.

12. The following new Part is hereby inserted immediately after Part VIII, and shall have effect as Part VIIIA, of the principal enactment:—

"PART VIIIA.

**PROVISIONS WHICH MAY BE MADE APPLICABLE TO
LOANS.**

Application
of this Part
and inter-
pretation of
expression
"appropriate
authority".

62A. (1) Any provision of this Part shall apply to a loan granted by a building society if by an Order made under section 26 the Minister declares that such provision shall apply to such loan.

(2) Any provision of this Part shall apply to a loan granted by the Commissioner if by an Order made under section 48 the Minister declares that such provision shall apply to such loan.

(3) In this Part the expression "appropriate authority"—

(a) with reference to a loan granted by a building society, means that society, and

(b) with reference to a loan granted by the Commissioner, means the Commissioner.

Power of
appropriate
authority
to investi-
gate
purpose to
which
loan is
applied.

62B. The appropriate authority may call upon any person to whom a loan has been or is granted by that authority to satisfy that authority that the loan has been or is being applied to the purpose for which it has been or is granted, and the person so called upon may adduce evidence before the appropriate authority or any officer authorised by that authority to take such evidence, to prove that the loan has been or is being applied for such purpose.

Power of
appropriate
authority
to require
additional
security or
recall loan.

62c. (1) The appropriate authority may at any time, in the discretion of that authority and without assigning any reason therefor, by written order direct that, within the time specified in that behalf in the order,—

(a) additional security for a loan granted by that authority be provided to the satisfaction of that authority, and

(b) a loan granted by that authority be repaid either in full or in part.

(2) Where an order issued under sub-section (1) in respect of a loan is not complied with within the time allowed therefor by the order, default shall be deemed to be made in respect of the whole of the unpaid portion of that loan and the interest due thereon up to date, and, where that loan was granted on the mortgage of any land, the provisions of sections 62L to 62cc shall apply to and in relation to that loan.

62D. The appropriate authority may, in lieu of the whole or any part of any security which that authority has already accepted for any loan, accept new security if the new security, either alone or together with any portion of the original security which is to remain, is sufficient for a new loan of an amount equal to the total of the principal and interest still outstanding on account of the original loan.

Charge of
security.

62E. Every loan shall be repaid—

(a) by instalments specified by the appropriate authority and paid at intervals so specified, or

(b) in any other manner so specified.

Mode of
repayment
of loans.

62F. Every person—

(a) to whom a loan is granted by the appropriate authority, or

(b) who obtains probate of the will or letters of administration to the estate of a person to whom a loan has been granted by the appropriate authority, or

(c) who, under section 62q, is appointed to represent the estate of a deceased borrower, or

(d) to whom any right, title or interest in any land mortgaged to the appropriate authority as security for a loan granted by that authority, or in any other description of security for such a loan, passes whether by voluntary conveyance or by operation of law,

Registered
address of
borrower, &c.

shall notify in writing to the appropriate authority an address to which all notices to him may be sent.

62G. Any notice which is required by or under this Act to be served on any person to whom section 62F applies shall be deemed to be duly served on that person if it is sent by post in a registered letter

Service of
notice on
borrower,
&c.

directed to that person at the address notified by him under that section, and the service shall be deemed to be effected at the time at which the letter would be delivered in the ordinary course of post.

Priority of
charge
created by
loan made by
appropriate
authority.

62H. Where a loan is granted by the appropriate authority on the mortgage of any land, that land shall on and after the date of the registration of such mortgage be charged with the payment of the loan with interest in priority to every other debt, mortgage or charge affecting it, except a debt which is secured by a mortgage duly registered prior to such date and which is due to a creditor who in good faith advanced the money before the loan was granted by the appropriate authority.

Form of
mortgage
of land.

62J. (1) Every mortgage of land executed in favour of the appropriate authority as security for any loan shall be substantially in the prescribed form.

(2) Any such mortgage as is referred to in subsection (1) may include a covenant that a higher rate of interest than that on which the loan was granted shall be paid if the borrower fails or neglects to make any payment due on account of interest, principal or otherwise under the mortgage, in full and on the due date.

Default of
payment.

62K. Where default is made in the payment of any sum due on any loan granted on the mortgage of land, whether that sum is due on account of principal or interest or of both, default shall be deemed to be made in respect of the whole of the unpaid portion of that loan and the interest due thereon.

Action by
appropriate
authority
where
default is
made.

62L. Where under the provisions of this Act default is made or is deemed to be made in respect of the whole of the unpaid portion of any loan and the interest due thereon, the appropriate authority may, in the discretion of that authority, take action as specified either in section 62M or in section 62P; and where in any case the appropriate authority takes action or commences to take action in accordance with section 62M, that authority may at any time thereafter take action in that case under section 62P if that authority deems it necessary to do so.

Appointment
of manager
to take
possession
of mortgaged
land.

62M. Subject to the provisions of section 62Q, the appropriate authority may by order in writing authorise any person specified in the order to enter upon any land mortgaged to the appropriate authority as security for any loan in respect of which default has been made, to take possession of and to

manage and maintain such land, and to exercise the same powers in the control and management of such land as might have been exercised by the mortgagor if he had not made default.

62N. (1) Any person authorised by order of the appropriate authority under section 62M in respect of any land shall be entitled generally to take action in terms of the order and in particular—

Procedure
where
manager is
appointed.

- (a) to sell the produce of such land;
- (b) to receive the rents, profits or other income from such land;
- (c) to pay the expenses incurred in the control and management of such land out of the income from such land;
- (d) to appropriate to himself out of such income such sum, if any, as the appropriate authority may deem fit to fix as remuneration for his services; and
- (e) to remain in possession of such land until all moneys due to the appropriate authority under the mortgage of such land have been fully paid or until he is directed by that authority to yield possession of such land under sub-section (2).

(2) Any person authorised by order of the appropriate authority under section 62M in respect of any land shall—

- (a) pay monthly, out of the income of such land, such sum, if any, as the appropriate authority in the discretion of that authority may fix, to the mortgagor for his maintenance;
- (b) pay quarterly or as otherwise directed by the appropriate authority to such person or persons and in such manner as that authority may direct the balance of the income from such land remaining after the payments hereinbefore authorised have been made;
- (c) keep and render to the appropriate authority at such intervals as that authority may determine, clear and accurate records of all sums received or paid out by him in respect of such land; and
- (d) yield possession of such land to the mortgagor or some other person as directed by the appropriate authority and pay to that

authority any balance of the income from such land remaining in his hands after the payments hereinbefore authorised have been made.

(3) The appropriate authority shall, when all sums due to that authority under the mortgage have been fully paid, surrender possession of the mortgaged land to the mortgagor and return to him any balance remaining of the income from such land.

Authorisation
of sale of
mortgaged
land.

62P. Subject to the provisions of section 62Q, the appropriate authority may by order in writing authorise any person specified in the order to sell by public auction any land mortgaged to that authority as security for any loan in respect of which default has been made in order to recover the whole of the unpaid portion of such loan and the interest due thereon up to the date of the sale, together with the moneys and costs recoverable under section 62W.

Where
borrower
is dead.

62Q. (1) Save as otherwise provided in sub-section (2), the provision of sections 62M and 62P shall apply in the case of any default notwithstanding that the borrower may have died or that any right, title or interest in the land mortgaged by the borrower as security for the loan may have passed by voluntary conveyance or by operation of law to any other person.

(2) Where the borrower is dead and probate of his will or letters of administration to his estate have not been issued,—

(a) the District Court of Colombo or the District Court of the district in which the land mortgaged by the borrower as security for the loan is situate may, upon application made in that behalf by the appropriate authority and after service of notice of the application on such persons, if any, as the Court may order, and if satisfied that the grant of probate or the issue of letters of administration is likely to be unduly delayed, appoint a person to represent the estate of the borrower for the purpose of this sub-section, and

(b) the provisions of sections 62M and 62P shall not apply in the case of any default made by the borrower unless and until a representative of his estate is appointed under this sub-section.

62R. Notice of every order under section 62P authorising the sale of any land shall be published in the *Gazette* and in a daily newspaper printed in English, and copies of such notice shall be served on the borrower, if he is alive, and on every person who has, in respect of that land, notified his address under section 62F.

Notice of order of appropriate authority to sell land.

62S. Notice of the date, time and place of every sale shall, not less than fourteen days before the date fixed for the sale, be published in the *Gazette*, and copies of such notice shall be—

Notice of sale.

- (a) served on the borrower, if he is alive, and on every person on whom notice of the order authorising the sale is required to be served under section 62R;
- (b) posted on or near the land which is to be sold; and
- (c) affixed to the walls of the Kachcheri and the several District Courts and Magistrates' Courts within the jurisdiction of which the land is situate.

62T. (1) If the amount of the whole of the unpaid portion of the loan (together with all interest due thereon according to the terms of the mortgage), and of the moneys and costs, if any, recoverable by the appropriate authority under section 62W is tendered to that authority at any time before the date fixed for the sale of the land mortgaged to that authority as security for the loan, that land shall not be sold and no further steps shall be taken in pursuance of the order under section 62P for the sale of that land.

Payment before sale.

(2) If the amount of the instalment or other payment in respect of which default has been made, together with any interest due thereon according to the terms of the mortgage, and of the moneys and costs, if any, recoverable by the appropriate authority under section 62W is tendered to that authority at any time before the date fixed for the sale of the land mortgaged to that authority as security for the loan, that authority may, in the discretion of that authority, direct that such land shall not be sold and that no further steps shall be taken in pursuance of the order under section 62P for the sale of such land.

62U. The appropriate authority may fix an upset price below which the land mortgaged to that authority as security for the loan shall not be sold to any person other than that authority.

Upset price.

Default in respect of one or two loans on the same land.

62v. In any case where two loans have been granted by the appropriate authority on the security of the same land and default is made in the payment of any sum due upon any one of such loans, the foregoing provisions of this Part shall apply notwithstanding that default may not have been made in respect of the other loan; and the appropriate authority may, in any such case, by order under section 62p authorise the sale of the land for the recovery of the total amount due to that authority in respect of both such loans; and the provisions of this Part shall apply accordingly.

Recovery of expenses and costs incurred by the appropriate authority.

62w. In addition to the amount due on any loan, the appropriate authority may recover from the borrower or any person acting on his behalf—

(a) all moneys expended by that authority, in accordance with the covenants contained in the mortgage bond executed by the person to whom the loan was made, in the payment of premiums and other charges under any policy of insurance effected in respect of the land mortgaged to that authority, and in the payment of all other costs and charges authorised by the aforesaid covenants to be incurred by that authority; and

(b) the costs of advertising the sale of, and of selling, the mortgaged land:

Provided that the amount recovered as costs under paragraph (b) of this section shall not exceed such percentage of the loan as may be prescribed.

Payment of balance of proceeds of sale after deduction of amount due to the appropriate authority.

62x. Where the mortgaged land is sold, the appropriate authority shall, after deducting from the proceeds of the sale the amount due on the mortgage and the moneys and costs recoverable under section 62w, pay the balance remaining, if any, either to the borrower or to any person legally entitled to accept the payments due to the borrower, or, if the appropriate authority is in doubt as to whom the money should be paid, into the District Court of the district in which such land is situate to be drawn by the person entitled thereto.

Certificate of sale.

62y. (1) Where the mortgaged land is sold, the appropriate authority shall sign a certificate of sale and thereupon all the right, title and interest of the borrower to and in the land shall vest in the purchaser; and thereafter it shall not be competent for any person claiming through or under any disposition

whatsoever of the right, title or interest of the borrower to and in the land, made or registered after the date of the mortgage of the land to the appropriate authority, in any court to move to invalidate the sale for any cause whatsoever or to maintain any right, title or interest to or in the land as against the purchaser.

(2) A certificate signed by the appropriate authority under sub-section (1) shall be conclusive proof, with respect to the sale of any land, that all the provisions of this Part relating to the sale of the land have been complied with.

(3) Regulations may be made under this Act prescribing the form of the certificate of sale.

(4) Every certificate of sale issued under this section shall be liable to stamp duty and charges as if it were a conveyance of immovable property and to any registration and other charges authorised by law, all of which shall be payable by the purchaser.

62z. (1) The purchaser of any land sold in pursuance of the preceding provisions of this Part shall, upon application made to the District Court of Colombo or the District Court having jurisdiction over the place where that land is situate and upon production of the certificate of sale issued in respect of that land under section 62y, be entitled to obtain an order for delivery of possession of that land.

Order for
delivery of
possession.

(2) Every application under sub-section (1) shall be made, and shall be disposed of, by way of summary procedure in accordance with the provisions of Chapter XXIV of the Civil Procedure Code; and on all documents filed for the purpose of each such application and on all proceedings held thereupon, stamp duties and other charges shall be payable at the respective rates at which such duties and charges are payable under any written law for the time being in force on applications for, and proceedings connected with or incidental to, the execution of a decree of a District Court for the delivery of possession of any immovable property of the same value as the land to which such application relates.

Cap. 86.

(3) Where any land sold in pursuance of the preceding provisions of this Part is in the occupancy of the debtor or of some person on his behalf or of some person claiming under a title created by the debtor subsequently to the mortgage of the land to the appropriate authority, the District Court shall order delivery of possession of that land to be made to the

purchaser by putting the purchaser, or any person whom he may appoint to receive possession on his behalf, in possession of that land.

(4) Where any land sold in pursuance of the preceding provisions of this Part is in the occupancy of a tenant or other person entitled to occupy it, the District Court shall order delivery of possession of that land to be made to the purchaser by affixing a notice of the sale having taken place, in the English, Sinhalese and Tamil languages, in some conspicuous place on that land, and proclaiming to the occupant by beat of tom-tom, or in such other mode as may be customary, at some convenient place, that the interest of the debtor has been transferred to the purchaser. The cost of such proclamation shall be fixed by the court and shall in every case be prepaid by the purchaser.

Cap. 86.

(5) Every order under sub-section (3) or sub-section (4) shall be deemed, as the case may be, to be an order for delivery of possession made under section 287 or section 288 of the Civil Procedure Code, and may be enforced in like manner as an order so made, the debtor and the purchaser being deemed, for the purpose of the application of any provision of that Code, to be the judgment-debtor and judgment-creditor respectively.

Cancellation
of sale.

62AA. Where the land sold is purchased by the appropriate authority, that authority may, at any time before that authority re-sells that land, cancel the sale by an endorsement to that effect on a certified copy of the certificate of sale, upon the debtor or any person on his behalf paying the amount due in respect of the loan for which the land was sold (including the costs of seizure and sale) and interest on the aggregate sum at a rate not exceeding the prescribed rate. Such an endorsement shall, upon registration in the office of the Registrar of Lands, re-vest the land in the debtor as though the sale under this Part had not been made.

Re-sale by
appropriate
authority.

62BB. (1) Where the land sold is purchased by the appropriate authority and the sale is not cancelled under section 62AA, that authority may at any time re-sell the land and transfer to the purchaser by endorsement on such copy of the certificate of sale as is certified by that authority to be a true copy, all the right, title and interest to or in that land acquired by that authority.

(2) The provisions of sub-section (4) of section 62x shall apply to an endorsement made under sub-section (1) of this section in like manner as they apply to a certificate of sale.

(3) An endorsement made under sub-section (1) shall, when it is registered in the office of the Registrar of Lands, vest in the purchaser specified in that endorsement such right, title and interest as are so specified.

62cc. Nothing in sections 62L to 62BB shall be deemed to preclude the appropriate authority from recovering the amount due on any mortgage bond in accordance with the provisions of any other written law."

Appropriate authority not precluded from other methods of recovery.

13. (1) Section 63 of the principal enactment is hereby amended as follows:—

Amendment of section 63 of the principal enactment.

(a) in sub-section (1) of that section, by the omission of the words "by way of rent";

(b) by the repeal of sub-sections (2) and (3) of that section and the substitution therefor of the following new sub-sections:—

"(2) In this section—

(a) the expression "new house," means a house in respect of which a certificate is issued by the Commissioner, upon application made in that behalf by the owner or any owner of that house, to the effect that the construction of that house commenced on or after the appointed date; and

(b) the expression "income accruing to any person from any new house", means—

(i) if the house is let, the income accruing to that person by way of rent; or

(ii) if the house is not let but is occupied by that person, the income which would accrue to that person by way of rent if it were let.

(3) The decision of the Commissioner on any application for a certificate under sub-section (2) in respect of a house shall be final and conclusive."; and

(c) in the marginal note to that section, by the substitution, for the word "rent" of the word "income".

which is used
solely for the
purpose of
revising and
amending
the law
42758

(2) The amendments made in section 63 of the principal enactment by sub-section (1) of this section shall be deemed to have come into force on the date on which that enactment came into operation.

Insertion of new section 63A in the principal enactment.

14. The following new section is hereby inserted immediately after section 63, and shall have effect as section 63A, of the principal enactment:—

“ Power of Commissioner to inspect plans, &c., relating to new houses.

63A. For the purpose of deciding whether to issue or refuse to issue a certificate under sub-section (2) of section 63 in respect of any house, the Commissioner shall have access, without fee or charge, to any plans, specifications or other documents relating to that house which are in the possession of the proper authority, and the officers of every such authority shall, upon application, permit the Commissioner or any other officer authorised in that behalf by the Commissioner to inspect and take copies of such plans, specifications or other documents.”

Insertion of new section 67A in the principal enactment.

15. The following new section is hereby inserted immediately after section 67, and shall have effect as section 67A, of the principal enactment:—

“ Declaration of secrecy.

67A. (1) Every officer or servant of the Department of National Housing shall, before entering upon his duties under this Act, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Commissioner and all matters relating to such transactions, and shall by such declaration pledge himself not to reveal any matter which may come to his knowledge in the discharge of his duties except—

(a) when required so to do—

- (i) by the Commissioner; or
- (ii) by a court of law; or
- (iii) by the person to whom such matter relates; or

(b) in the performance of his duties; or

(c) in order to comply with the provisions of this Act or any other law.

(2) Every officer or servant of the Department of National Housing shall decline to answer any question concerning the business of that Department if he cannot answer the question without infringing his pledge of secrecy under sub-section (1)."

16. Section 68 of the principal enactment is hereby amended as follows:—

Amendment of
section 68 of
the principal
enactment.

- (1) by the repeal of sub-section (1) of that section and the substitution therefor of the following new sub-section:—

" (1) If any building society contravenes or fails to comply with any provision of this Act or of any regulations made thereunder or of its instrument of association, or if any officer of the proper authority contravenes or fails to comply with the provisions of section 63A, that society or that officer, as the case may be, shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding one hundred rupees, and, in the case of a continuing offence, to an additional fine not exceeding fifty rupees for every day during which the offence is continued after a conviction thereof."; and

- (2) in the marginal note to that section, by the omission of the words "by building societies".

17. Section 71 of the principal enactment is hereby amended, in sub-section (1) of that section, as follows:—

Amendment of
section 71 of
the principal
enactment.

- (a) in the definition of "Commissioner", by the substitution, for the words "an Assistant Commissioner", of the words "the Deputy Commissioner or an Assistant Commissioner";
- (b) in the definition of "instrument of disposition", by the substitution, for the words "land; and", of the word "land;";
- (c) in the definition of "person", by the substitution, for the word "persons", of the words "persons; and";

(d) by the addition, at the end of that sub-section, of the following new definition:—

“ ‘ proper authority ’ means any Municipal Council, Urban Council, Town Council or Village Committee, or any Board of Improvement Commissioners appointed under the Housing and Town Improvement Ordinance.”

Cap. 199.

Repeal of
Housing Loans
Act.

18. The Housing Loans Act, No. 26 of 1949, is hereby repealed.

Commissioner
to be the
successor of
the Housing
Loans Board.

19. (1) With effect from the date of the repeal of the Housing Loans Act, No. 26 of 1949,—

(a) all debts, liabilities and obligations incurred, all contracts entered into, all deeds, bonds, agreements and other instruments executed, and all matters and things engaged to be done by, with or for the Housing Loans Board and subsisting or in force at the said date shall be deemed to have been incurred, entered into, executed or engaged to be done by, with or for the Commissioner for National Housing;

(b) all loans granted by such Board prior to the said date shall be deemed to have been granted by such Commissioner under the National Housing Act, No. 37 of 1954, and accordingly the provisions of that Act shall apply to and in relation to such loans;

(c) all sums of money due to such Board at the said date shall be deemed to be due to such Commissioner;

(d) all suits or other legal proceedings instituted, or which might have been instituted, by or against such Board at the said date may, subject to the provisions of any other law, be continued or instituted by or against such Commissioner;

(e) all decrees or orders made by any competent court in favour of, or against, such Board prior to the said date shall be deemed to have been made in favour of, or against, such Commissioner;

(f) the balance standing to the credit of the Housing Loans Fund at the said date shall be transferred to the National Housing Fund; and

(g) all movable or immovable property of such Board shall be the property of the Crown, all movable or immovable property vested in such Board shall vest in such Commissioner, and all movable or immovable property in the possession or under the control of such Board shall be in the possession or under the control of such Commissioner, subject, to any charges, liabilities, reservations, servitudes or other encumbrances and any terms and conditions appertaining, attaching or applicable thereto on the day immediately preceding the said date.

and accordingly such Commissioner shall be deemed to be the successor of such Board for and in respect of all matters and things referred to in the preceding provisions of this sub-section, other than any property which by virtue of paragraph (g) of this sub-section becomes the property of the Crown.

(2) All sums of money paid to, or recovered by, the Commissioner for National Housing by virtue of his being the successor of the Housing Loans Board shall be credited to the National Housing Fund, and all sums of money due from the Commissioner by virtue of his being such successor shall be paid out of that Fund.

(3) In this section—

(a) “ Commissioner for National Housing ” means the Commissioner for National Housing appointed for the purposes of the National Housing Act, No. 37 of 1954,

(b) “ Housing Loans Board ” means the Housing Loans Board established under the Housing Loans Act No. 26 of 1949,

(c) “ Housing Loans Fund ” means the Housing Loans Fund established for the purposes of the Housing Loans Act, No. 26 of 1949, and

(d) “ National Housing Fund ” means the National Housing Fund established for the purposes of the National Housing Act, No. 37 of 1954.

Validation of
certain
disbursements
from the
Housing Loans
Fund.

20. All payments made, prior to the date of the repeal of the Housing Loans Act, No. 26 of 1949, out of the Housing Loans Fund established under such Act by way of salaries, allowances or other remuneration to the staff of the Housing Loans Board established under such Act shall be deemed to have been valid, notwithstanding that such Act did not authorise such payments to be made out of such Fund.