



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

**COMMON AMENITIES BOARD (AMENDMENT)
ACT, No. 24 OF 2003**

[Certified on 20th August, 2003]

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Common Amenities Board (Amendment)
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L.D.—O 53/2001.

AN ACT TO AMEND THE COMMON AMENITIES BOARD
LAW NO. 10 OF 1973

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

1. This Act may be cited as the Common Amenities Board (Amendment) Act, No. 24 of 2003.

Short title.

2. The Long Title to the Common Amenities Board Law, No. 10 of 1973 (hereinafter referred to as the “principal enactment”) is hereby amended by the substitution for the words “As the Common Amenities Board for the control, Management, Maintenance and Administration of the Common Amenities and Common Elements of Units of Accommodation” of the words “As the Condominium Management Authority for the Control, Management, Maintenance and Administration of the Condominium Property, Semi Condominium Property and Provisional Condominium Property”.

Amendment of the Long Title of Law, No. 10 of 1973.

3. (1) In the principal enactment and in any other written law, there shall be substituted —

- (a) for the words “Common Amenities Board Law”, the words “Condominium Management Authority Law” ;
- (b) for the words “Common Amenities Board” and “Board” denoting the Common Amenities Board, the words “Condominium Management Authority” and “Authority” respectively.

“Common Amenities Board Law”, and “Common Amenities Board”, and “Board” to be known as the “Condominium Management Authority Law”, “Condominium Management Authority” and “Authority”.

(2) Every reference to the “Common Amenities Board Law” and the “Common Amenities Board” in any notice, notification, contract, communication or other document shall be read and construed as a reference to the “Condominium Management Authority Act” and the “Condominium Management Authority ” respectively.

Replacement of
section 4 of the
principal
enactment.

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 Section 4 of the principal enactment is hereby repealed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

‘Application
of the Law.

4. This Law shall apply to any building or buildings having two or more stories on alienated land, held as one land parcel capable of being subdivided into parcels, and to any building or buildings having only one storey on the same land capable of being subdivided into parcels, (hereinafter referred to as “Condominium Property”), any building proposed to be or in the process of being erected on alienated land, held as one land parcel and which shall be capable of being subdivided into parcels (hereinafter referred to as “Provisional Condominium Property”) and any partly completed building in which there are more than one completed condominium parcels fit for human habitation shown in the registered Provisional Condominium Plan (hereinafter referred to as “Semi Condominium Property”).’.

Replacement of
section 5 of the
principal
enactment.

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

“Objects of
the Authority.

5. The objects of the Authority shall be to –
- (a) control, manage, maintain and administer the condominium parcels, the common elements and the common amenities of the Condominium Property or Semi Condominium Property ;
 - (b) ensure that the common elements and the Common Amenities of the Condominium Property or Semi Condominium Property are properly maintained in good order and that periodic repairs are being carried out in order to maintain such property in good

and serviceable order, and to assist the management corporation or the owner or owners or occupiers to carry out such activities or to be directly involved with such activities in the event of the management corporation or owner or owners or occupiers failing to carry out such activities ;

- (c) ensure that all buildings comprising such condominium parcels are insured against risk of fire, civil commotion and riot or to insure or keep insured, if so requested by the management corporation or by the owners, and to recover such premium or charges from the management corporation or the owners as the case may be ;
- (d) remove all such unauthorized constructions erected or carried out by the respective owners or occupiers of such condominium parcels or by any person, contrary to the registered condominium plan of the Condominium Property or the registered Semi Condominium Plan of the Semi Condominium Property ;
- (e) ensure that the management corporation of the condominium property or Semi Condominium Property are Properly functioning and to manage and administer the activities of such management corporation ;
- (f) assist the management corporation or the owner or owners or occupiers of the condominium parcels, of the Condominium Property or Semi Condominium Property in providing the services such as water, sewerage,

drainage, gas, electricity, garbage disposal, air conditioning, telephone, radio and redifusion services to the owner or owners or occupiers of the condominium parcels of such condominium Property or Semi Condominium Property ;

- (g) assist the management corporation to establish and maintain for use by owners or occupiers of such condominium parcels, facilities such as roads, accessways, lawns, gardens, parks, playgrounds and other open spaces, or to be directly involved with such activities, in the event of the management corporation failing to establish and maintain such facilities ;
- (h) transfer to the local authority the maintenance of roads, accessways, lawns, gardens, parks, playgrounds and other open spaces for the use by owners or occupiers of the condominium parcels of the Condominium Property or Semi Condominium Property ;
- (i) provide maintenance and repair services to such condominium parcels of the Condominium Property or Semi Condominium Property at the request of the management corporation or owners or occupiers thereof ;
- (j) monitor the progress of the construction of the registered Provisional condominium Property in order to ensure that the interests of the stakeholders are protected and to intervene wherever necessary to protect such interests ;

- (k) formulate and submit condominium re-development programmes including capital investment plans to the Minister for approval by the Government ;
- (l) call upon the National Housing Development Authority or the Urban Development Authority or any local authority or any government agency or any private sector developer, to undertake the implementation of such condominium re-development projects, or to undertake the execution of the condominium re-development projects, of such programme as may be approved by the Government ;
- (m) undertake the completion of any condominium building shown in the registered Semi Condominium Plan or Provisional Condominium Plan, in the event of any owner failing to complete such project ;
- (n) develop or re-develop land for carrying out of any of the objects of the Authority ; and
- (o) do all such other acts as may be necessary or conducive to the attainment of any or all of the above objects.”.

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

Replacement of
section 6 of the
principal
enactment.

“Powers of the
Authority.

6. For the proper carrying out of its objects the Authority shall exercise any one or more of the following powers :-

- (a) acquire by way of acquisition, vesting, grant or purchasing, or to receive by way of gift or otherwise any immovable or

movable property and to hold, manage, sell, surrender, exchange, lease or otherwise dispose of such property ;

- (b) receive donations and bequests from any source whether local or foreign ;
- (c) borrow moneys required by it for the discharge of the functions ;
- (d) charge rent for any land parcel or buildings or Condominium Property let by the Authority ;
- (e) levy fees or charges, for any services rendered by the Authority under this Law or any other written law ;
- (f) recover any premia from owners in proportion to their interests in the condominium parcels ;
- (g) recover from any person including an owner, expenses incurred in making good any damage caused by him to the common amenities or common elements of the condominium parcels ;
- (h) provide to any condominium parcel, any services including its refurbishment, repair, and maintenance at the request of the management corporation or owner or occupier of the condominium parcel and levy charges therefor ;
- (i) undertake construction work ;
- (j) enter, either by itself or by its duly authorized agents, at all reasonable times, any condominium parcel for the purpose

of inspecting, repairing, or renewing pipes, wires, cables and ducts which also serve other condominium parcels or the common elements of the condominium parcels or for the purpose of maintaining, renewing, refurbishing, or repairing the condominium parcel or the common amenities or the common elements, of the Condominium Property or for the purpose of removing or demolishing unauthorized constructions of the Condominium Property or Semi Condominium Property or for the purpose of ensuring that any relevant statutory requirements are being complied with, or in the exercise of any of the powers, referred to in this section ;

- (k) enter either by itself or by its duly authorized agents at all reasonable times, any land parcel of the Provisional Condominium Property for the purpose of inspecting and reviewing the progress of the construction of the building shown in the registered provisional condominium plan ;
- (l) enter into such contracts and to make such arrangements as are reasonably required for the purpose of carrying out any of the objects of the Authority ;
- (m) resolve disputes between the management corporation and the owner or owners, and occupier, or owner and purchaser, or owner and mortgagee, or mortgagee and prospective purchaser or mortgagor and mortgagee of the condominium parcels of the Condominium Property, or Semi Condominium Property, or registered Provisional Condominium Property ;

- (n) employ such officers and servants as may be necessary to carry out the work of the Authority and exercise disciplinary control over its officers and servants ;
- (o) make rules for the administration of the affairs of the Authority ; and
- (p) do all things which in the opinion of the Authority, are necessary to facilitate the carrying out of its objects.”.

Replacement of
 section 7 of the
 principal
 enactment.

7. Section 7 of the principal enactment is hereby repealed and the following section substituted therefor –

“Authority to
 take over the
 control,
 maintenance
 &c. of the
 common
 amenities and
 common
 elements of
 the
 Condominium
 Property.

7. Notwithstanding anything to the contrary in any other law, the Authority may, on a directive made by the Minister or on a request made by an owner or the owners of all the condominium parcels, or by the management corporation, or by the local authority, or any other public corporation as the case may be, where the Authority is satisfied that the owner or owners or the management corporation, are incapable of properly controlling, maintaining, managing and administering the common elements or common amenities of the condominium parcels of the Condominium Property or Semi Condominium Property, undertake to control, maintain, manage and administer of the common elements and common amenities, until such time the management corporation is capable of controlling, maintaining, managing and administering such common elements and common amenities of the Condominium Property or Semi Condominium Property.”.

8. Section 8 of the principal enactment is hereby repealed and the following section substituted therefor :-

Replacement of
section 8 of the
principal
enactment.

“Board of
Management.

8. (1) The management and administration of the affairs of the Authority shall be vested in a Board of Management (hereinafter referred to as “the Board”) which shall consist of –

(a) the following *ex-officio* members namely —

- (i) the General Manager of the National Housing Development Authority established under the National Housing Development Authority Act, No. 17 of 1979 ;
- (ii) the Director-General of the Urban Development Authority established under the Urban Development Authority Law, No. 41 of 1978 ;
- (iii) The Director-General of the Public Utilities Commission of Sri Lanka established by the Public Utilities Commission of Sri Lanka Act, No. 35 of 2002 ;
- (iv) the General Manager of the National Water Supply and Drainage Board established under the National Water Supply and Drainage Board Law, No. 2 of 1974 ;
- (v) the Municipal Commissioners of Municipal Councils of Colombo, Kotte, Dehiwala Mount - Lavinia and Moratuwa, respectively ;
- (vi) the General Manager of the Authority who shall be the Secretary of the Board appointed interms of section 17;

(b) six persons to be appointed by the Minister (hereinafter referred to as the “appointed members”) in the following manner :—

- (i) the representative of the Secretary to the Ministry of the Minister in charge of the subject of Finance ;
- (ii) a representative of the Home Mortgage Lenders Association ;
- (iii) a representative of the Private Sector Developers Association ;
- (iv) a representative of the management corporation ;
- (v) a representative of the Ceylon Chamber of Commerce ;
- (vi) a person having experience in the area of condominium property management, who shall be the Chairman.

(2) A person shall be disqualified from being appointed or from continuing as a member of the Board —

- (a) if he is or becomes a member of Parliament, a Provincial Council or any local authority ;
- (b) if he is not or ceases to be a citizen of Sri Lanka.

(3) The appointed members shall subject to the provisions of subsections (5) and (7) hold office for a term of three years, and shall be eligible for re-appointment.

(4) The Minister may remove from office the Chairman or any member –

- (a) if he becomes subject to any disqualifications specified in subsection (2) ;
- (b) if he becomes incapable of performing his duties owing to physical disability or unsoundness of mind ; or
- (c) if he does any act or thing which, in the opinion of the Minister is likely to bring the Authority to disrepute.

(5) In the event of the vacation of office by the Chairman or any other member of the Board, the Minister may appoint another person to hold office during the unexpired part of the term of office of the member whom he succeeds.

(6) If the Chairman or any appointed member of the Board is temporarily unable to discharge the duties of his office due to ill health or absence from Sri Lanka or for any other cause, the Minister may appoint some other person to act in his place as Chairman or as member.

(7) Any member of the Board may at any time resign his office by written communication addressed to the Minister. Such registration shall be effective from the date of acceptance of the same by the Minister.

(8) The members of the Board shall be remunerated in such manner and at such rates, as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(9) The Chairman of the Board, shall, if present preside at all meetings of the Board, in the absence of the Chairman from any such meeting, the members present shall elect one of the members to preside at the meeting.

(10) Any *ex - officio* member may, at any time by prior notice in writing nominate his deputy to represent him at the Board meeting to be held on a given date, if he is unable to attend such meeting due to unavoidable circumstances.

(11) The quorum for any meeting of the Board shall be five members and the Board may regulate the procedure in regard to the conduct of meetings of the Board and the transaction of business at such meetings.

(12) The Board shall, in the exercise, discharge or performance of its powers, functions or duties under this Act be subject to such general or special directions as may from time to time, be issued by the Minister.

(13) A member of the Board, who is directly or indirectly interested in any business transacted or proposed to be transacted by the Board shall disclose the nature of such interest at the meeting of the Board where such business is discussed. The disclosure shall be recorded in the minutes of the Board, and such member shall not take part in any deliberation or decision of the Board with regard to such business, and shall withdraw from such meeting while such deliberation is in progress or such decision is being made.

(14) No act or proceeding of the Board shall be invalid by reason only of the existence of a vacancy among its members or of any defect in the appointment of a member.”.

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

Replacement of section 9 of the principal enactment.

“Inquiry into the activities of the management corporation.

9. (1) The Authority, may on its own motion, or on the application of a majority of the members of the management corporation or of not less than one-third of the owners of the Condominium Parcels of the Condominium Property or Semi Condominium Property, hold an inquiry, or direct a person authorized in writing in that behalf, by the Authority by order to hold an inquiry into the activities and financial stability of the management corporation.

(2) For the purposes of an inquiry under subsection (1), the Authority or any person authorized by to hold an inquiry, shall have the power –

- (a) to summon any member of the management corporation, or owner or owners of the condominium parcels ;
- (b) to require the production of any book or document relating to the affairs of the management corporation or any cash or security ;
- (c) to summon a special general meeting of the owners of the condominium parcels ;
- (d) to take into his custody, books of accounts or documents in the possession of the management corporation.

(3) Where an inquiry is held under subsection (1) the Authority or the person authorized by the authority to hold the inquiry shall after due inquiry make order as regards the management corporation and shall communicate the order of the inquiry to all the owners of the condominium Parcels of the Condominium property or Semi Condominium Property.

(4) It shall be the duty of the management corporation to abide by any order made under subsection (3).”.

Insertion of new sections 9A, 9B, 9C and 9D in the principal enactment.

10. The following new sections are hereby inserted immediately after section 9 of the principal enactment and shall have effect as sections 9A, 9B, 9C and 9D of that enactment :—

“Demolition of unauthorised constructions.

9A. (1) Where the Authority receives a complaint or receives information that an unauthorized construction has been erected or is being erected in any registered or unregistered Condominium Property or Semi Condominium Property, the Authority shall, cause a notice in writing to be served on the owner of the condominium parcel and a copy of such notice to be served on each occupier of such condominium parcel and the management corporation if any, who is erecting or has erected such unauthorised construction in the condominium parcel, or the common element and direct such owner, occupier or management corporation, as the case may be, to be present at an inquiry on a date, time and place, to be specified in the notice and to show cause –

(a) why the Authority should not prohibit such person from proceeding with the construction ;

- (b) why the unauthorised construction should not be demolished and the Condominium Parcel restored to its original condition.

(2) The persons present at the inquiry in pursuant to the receipt of a notice issued under subsection (1), shall be given an opportunity of being heard and thereafter where the Authority is of the opinion that such construction is an unauthorized construction, it may direct, such owner or occupier or management corporation or other person, as the case may be —

- (a) not to proceed with such unauthorised construction ; or
- (b) to restore the condominium parcel or an accessory parcel appurtenant to the condominium parcel or common element to its original condition ; or
- (c) to take such other measures for the purpose of compliance with the conditions set out in the permit subject to which the Condominium Property or Semi Condominium Property has been constructed.

(3) Where such owner or occupier or management corporation or other person, as the case may be —

- (a) fails to be present at the inquiry ; or
- (b) after being present at such inquiry refuses to comply with any direction issued under subsection (2) within seven days from the date of issue of such direction,

the Authority shall–

- (i) take appropriate measures to demolish such unauthorised construction ;
- (ii) direct the discontinuance of the use of the land parcel or building ;
- (iii) do all such other acts as the owner or occupier or other person was required to do by such directive under subsection (2).

(4) The Authority may, for the purpose of acting under paragraphs (i), (ii) or (iii) of subsection (3) authorise any officer to enter the Condominium Property or the Semi Condominium Property on which such unauthorised construction is being erected or erected and do all such acts as may be necessary for the purpose.

(5) No action or other proceeding shall lie against any person for any act, done within exercise of the powers conferred by subsection (4), and no owner, occupier or person shall be entitled to any compensation for any damage or loss caused by such act.

(6) It shall be the duty of every member of the Police when requested to do so, to render all necessary assistance to the Authority for the purpose of taking action under paragraphs (i), (ii) or (iii) of subsection (3).

(7) The Authority shall be entitled to recover all reasonable expenses incurred by the Authority in removing, demolishing the unauthorized constructions of the Condominium Property or Semi Condominium Property or discontinuing any work in pursuance of the provisions of subsection (4).

(8) The preceding provisions of this section shall not affect any liability incurred by such owner or occupier or other person by reason of his failure to comply with such notice.

Complaints by a purchaser as regards the common amenities provided by the registered owner.

9B. (1) On a written complaint made by a purchaser of a condominium parcel of the Condominium Property, which has been registered with the Registrar of Lands under the Registration of Documents Ordinance (Chapter 117), without the Certificate of Conformity relating to the standard of the common amenities provided to such Condominium Parcel by the registered owner of the Condominium Property, issued by the Authority who has been empowered to approve the building plan, the Authority shall on being satisfied after due inquiry, make Order directing the registered owner to provide the required common amenities in the manner acceptable to the Authority, at his expense within the period specified in that Order.

(2) Where the registered owner against whom an Order is made under subsection (1) fails to comply with such Order, the Authority shall, provide such services to the purchaser of the condominium parcel of the Condominium Property and recover such expenses from the registered owner in an action in any court of competent jurisdiction, as a debt due to such Authority from the said registered owner.

Monitoring the progress of the construction of the building shown in the registered provisional Condominium Plan.

9c. (1) Upon registration of the provisional condominium plan by the Registrar under the Apartment Ownership Law, No. 11 of 1973, the owner of the Provisional Condominium Property, shall submit quarterly reports, in triplicate, indicating the progress of the construction of the building to be erected, shown in the registered provisional condominium plan,

as per the project implementation plan filed along with the said Provisional Condominium Plan. One copy shall be to the Registrar, one copy, to the General Manager and one copy to the mortgagee, if any.

(2) The progress report to be submitted quarterly shall be submitted in the format as set out in Schedule I.

(3) Where the General Manager is satisfied that the owner is not carrying out the construction of the registered Provisional Condominium Property as per the project implementation plan filed along with the Provisional Condominium Plan, satisfactorily, and is of the opinion, that the intervention of the Authority is necessary in order to safeguard the interest of mortgagees, or registered prospective purchasers who have already provided finances to the owner under mortgages secured on the land parcel where the proposed building is to be erected as shown in the Provisional Condominium Plan and registered with the Registrar or provided finances as advances to the owner agreeing to purchase the provisional condominium parcels under the agreements for sale and registered with the Registrar, he shall convene after due notice, a meeting of the owner, such mortgagees, if any, and such prospective purchasers, if any, and discuss the issues which hinder the owner from satisfactorily carrying out such construction.

(4) Where the owner fails to participate at such meeting, or after participating fails to provide satisfactory explanation for the delay, or provide a satisfactory work programme for the construction of the proposed building upto

the level of a partly completed building, so that all existing mortgages securing the land parcel and individual condominium parcel could be redeemed and all commitments made towards the registered prospective purchasers could be settled, the Authority may—

- (a) recommend that the mortgagees take action as per the mortgage instruments, and to recover the money due to the mortgagee, and to settle the claims of the registered prospective purchasers, if there is any surplus money with the mortgagee after the sale of the land parcel ; or
- (b) recommend the Minister that such land parcel be vested in the Authority where the Provisional Condominium Property is to be erected, in order to settle the dues of the registered mortgagees or registered prospective purchasers.

Vesting of the land parcel of a defaulting owner.

9D. Notwithstanding anything to the contrary in this Law or any other Law —

- (a) the Minister, shall on being satisfied after due inquiry, on a recommendation being made by the Authority or upon the request of the mortgagee make order directing the owner to carry out the construction as per the registered Provisional Condominium Plan.
- (2) where the Minister makes an Order under paragraph (a), directing the owner of the registered Provisional Condominium Property to carry out such construction, the Minister, shall specify in such order —
 - (i) the number of provisional condominium parcels in the registered Provisional

Condominium Plan that shall be constructed to be considered as a semi condominium Property ;

- (ii) the period within which such construction needs to be completed ;
 - (iii) the final date by which the application for registration of the Semi Condominium Plan is to be Tendered to the Registrar.
- (c) Where the owner of any provisional condominium property in respect of which an order is made under subsection (1) fails to comply with the order (hereinafter referred to as the “default owner”) the Minister shall, by order published in the Gazette vest such land parcel shown in the registered provisional plan in the Authority ;
- (d) Where the land parcel of the provisional Condominium Property has been vested in the Authority under paragraph (e), the defaulting owner of the said land parcel shall be entitled to compensation in respect of the same on the basis of the valuation of the Chief Valuer as at the date of registration of the Provisional Condominium Plan, and the following dues of the defaulting owner shall be set off against the compensation due—
- (i) outstanding dues arising out of the mortgage or mortgages of the property acquired ;

- (ii) outstanding dues arising out of the agreements for sale of the provisional condominium parcels ;
- (iii) outstanding dues to any of the government agencies in relation to registered Provisional Condominium Property,
- (e) if any amount remains unsettled to any of the parties mentioned above such unsettled amount will be recovered by the Authority by way of in an action in a court of competent jurisdiction as debt due to it from the relevant defaulting owner.”.

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

Replacement of section 10 of the principal enactment.

“Acquisition of immovable property under the Land Acquisition Act.

10. (1) Where any immovable property is required to be acquired for any specific purpose of the Authority and the Minister by Order published in the Gazette approves the proposed acquisition for that purpose, that property shall be deemed to be required for a public purpose and may accordingly be acquired under the Land Acquisition Act and transferred to the Authority.

(2) Any sum payable, for the acquisition of any immovable property under subsection (1) for the Authority shall be paid out of the Fund of the Authority.”.

12. The following new sections are hereby inserted immediately after section 10 of the principal enactment and shall have effect as sections 10A, 10B and 10C of that enactment :—

Insertion of new sections 10A, 10B and 10C in the principal enactment.

“State property both movable and immovable to be made available to the Authority.

10A. (1) Where any immovable property of the State is required for any purpose of the Authority, such purpose shall be deemed to be a purpose for which a special grant or lease of such property may be made under section 6 of the Crown Lands Ordinance, and accordingly the provisions of that Ordinance shall apply to a special grant or lease of such property of the Authority.

(2) Where any movable property of the State is required for any purpose of the Authority, the Minister may, by Order published in the Gazette, transfer to, and vest in the Authority the possession and use of such movable property :

Provided, however, no Order affecting any movable property of the State shall be made by the Minister under the preceding provisions of this subsection, without the concurrence of the Minister having control over such property.

(3) No Order affecting any movable property of any government department or public corporation shall be made by the Minister under subsection (2) without the consent of the Minister to whom such department or public corporation has been assigned.

Acquisition of Condominium property for condominium development project.

10B. (1) Notwithstanding anything to the contrary in this Law; or any other Law, the Minister may, by notification published in the Gazette, declare that it is necessary to acquire for the purposes of carrying out any condominium re-development project, any of the Condominium Property or any part or any of the condominium parcel or Semi Condominium Property referred to in any of the following cases :—

- (a) where any sub-divided building shown in a Condominium Plan or Semi Condominium Plan has been resolved to be destroyed by the resolution of the owners of the condominium parcels, in accordance with section 20Q of the Apartment Ownership Law, No. 11 of 1973; or
 - (b) where any subdivided building shown in a Condominium Plan or Semi Condominium Plan is damaged but is not totally destroyed and the management corporation or the owners have neglected or failed to restore the damaged portion of the subdivided building as accordance with section 20R of the Apartment Ownership Law, No. 11 of 1973; or
 - (c) where any sub-divided building shown in a Condominium Plan or Semi Condominium Plan, and constructed at least forty (40) years prior to the declaration ; or
 - (d) where the maintenance of a subdivided building and its common elements shown in a Condominium Plan or Semi Condominium Plan, has been neglected by the majority of the owners of the condominium parcels or the management corporation, thereby causing a nuisance to the neighbours or a threat to the environment.
- (2) Where a notification under subsection (1) is published in the Gazette, the Condominium Property or Semi Condominium

Property to which such notification relates shall, for the purposes of the Land Acquisition Act, be deemed to be a land required for a public purpose and may be acquired under that Act.

Right of
alienation of
land, flat,
house or other
living
accommodation.

10c. (1) The Authority may, with the approval of the Minister, dispose by way of sale, lease, rent or rent purchase any land, flat, house or other living accommodation held by the Authority, subject to such terms and conditions as may be determined by the Minister and specified in the instrument of disposition, and in particular, but without prejudice to the generality of the foregoing provisions of this section, a condition to the effect that the disposition effected by such instrument may be cancelled or determined in the event of a failure to comply with any other condition specified in such instrument or in the event of any money due to the Authority under such instrument remaining unpaid for any such period as may be specified therein.

(2) Nothing in the Crown Lands Ordinance shall affect or be deemed or construed to affect the disposition of any State land held by the Authority for any of the purposes of the Authority.”.

Replacement of
section 15 of the
principal
enactment.

13. Section 15 of the principal enactment is hereby repealed and the following section substituted therefor :—

“Certificate
from the
General
Manager.

15. A certificate issued by the General Manager to the effect that a sum of money is due to the Authority from the person specified in the certificate shall, if it purports to be signed by the General Manager or a person authorized by him in that behalf, be *prima facie* proof of the facts stated therein and shall be admissible

in evidence without proof of the signature of the General Manager or the person authorized by him in that behalf.”.

14. The following new sections are hereby inserted immediately after section 15 of the principal enactment and shall have effect as sections 15A, 15B and 15C of that enactment :—

Insertion of new sections 15A, 15B and 15C of the principal enactment.

“Recovery of monies due to the Authority.

15A. (1) Upon production of a certificate issued by the General Manager stating that a sum of money is due to the Authority on a specified date from the person, specified therein, before a District Court having jurisdiction in the district in which that person resides or where any property movable or immovable owned by that person is situated, the Court shall issue an injunction restraining such person from the place where such property is kept or from causing or permitting the removal therefrom of such property and shall direct a writ of execution to be issued to the Fiscal authorizing and requiring him to seize and sell all or any of the property movable and immovable of such person or such part thereof as may be necessary for the recovery of that sum ; the provisions of sections 226 and 297 of the Civil Procedure Code (Chapter 101) shall, *mutatis mutandis*, apply to such a seizure and sale.

(2) Where the General Manager issues a certificate referred to in subsection (1), he shall at the same time issue to the person specified in the certificate a notification thereof by personal service, registered post, or telegraph, but the non-receipt of such notification by such person shall not invalidate proceedings under this section.

Recovery of sums liable to be paid to the Authority by a person out of the remuneration of such person.

15B. (1) Any person who is liable to pay any sum under this Law to the Authority shall, if he is an employee of the Government of Sri Lanka, or the Local Government Service, Judicial Service, or of any corporate or incorporated body, be liable to have any such sum recovered or deducted out of his remuneration from such employment.

(2) The General Manager shall, if he is of the opinion that the method of recovery referred to in subsection (1) is a satisfactory method of recovery in the case of any person, direct in writing to the employer of that person to deduct and pay to the Authority out of the remuneration payable to that person such amount in such manner, and at such intervals as may be specified in the directions.

(3) Every employer who receives a direction under subsection (2) shall forthwith comply with such direction.

(4) Where a deduction from remuneration out of such employment is made, the employer shall within a reasonable time, but not later than fourteen days from the date of recovery, issue a receipt to the person from whom the recovery has been made acknowledging receipt of such money or recovery of such dues and shall forthwith inform the General Manager from whom he has received such direction of that fact.

(5) Where any person in respect of whom a direction under subsection (2) is in force is about to leave, or leaves, the employment of his employer, the employer shall forthwith —

- (a) if the remuneration due to such person exceeds the sum liable to be paid under such direction to the Authority deduct that sum from such remuneration and pay the sum so deducted to the Authority ; and
- (b) if such remuneration does not exceed the sum to be recovered, pay the amount of such remuneration to the Authority.

(6) Where for any reason an employer of any person is unable to comply with a direction issued under subsection (2), he shall inform the General Manager forthwith in writing of his inability to do so and the reason therefor.

(7) Every employer who contravenes any of the preceding provisions of this section shall be guilty of an offence and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding ten thousand rupees or to imprisonment of either description for a period not exceeding one year or to both such fine and imprisonment.

(8) Where any offence under the preceding provisions of this section is committed by a body of persons, then—

- (a) if the body of person is a body corporate, every director and officer of that body corporate ; and
- (b) if the body of persons is a firm, every partner of that firm,

shall be deemed to be guilty of such offence :

Provided that no such director, officer or partner shall be deemed to be guilty of such offence if he is able to prove that such offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(9) No prosecution for an offence under this section shall be instituted except by or with the sanction of the Authority.

(10) Nothing in the preceding provisions of this section shall affect, or be deemed or construed to affect the rights of the General Manager to recover in any other manner or by any other procedure applicable in that behalf, any sum which is liable to be paid to the Authority under this law and in respect of which he has given a direction under subsection (2).

Signature of
documents by
General
Manager on
behalf of the
Authority.

15c. The General Manager is authorized on behalf of the Authority to sign and execute all documents required to be signed or executed in the exercise, discharge or performance of any power, function or duty assigned to him by the Authority under this law.”.

Amendment of
section 16 of the
principal
enactment.

15. Section 16 of the principal enactment is hereby amended by the repeal of subsection (1) of that section and substitute therefore of the following subsection :—

“(1) Where any dispute arises between an owner and occupier or owner and owner or the management corporation and owner or the management corporation and owner or owners or mortgagee and owner, or mortgagee and mortgagee, or owner and purchaser, or owner and prospective purchaser or mortgagee and prospective purchaser, of any such

condominium parcel in respect of the use or occupation of any such condominium parcel or the enjoyment of the common amenities or common elements appurtenant thereto, such dispute shall be referred by such person or the management corporation to the Authority, and the Authority as the case may be shall, after due inquiry, make such order in respect of that dispute as may appear to the Authority to be just and equitable.”.

16. Section 17 of the principal enactment is hereby repealed and the following section substituted therefor :—

Replacement of
section 17 of the
principal
enactment.

“General
Manager of
the Authority.

17. (1) The Authority may, with the approval of the Minister, appoint a General Manager, who shall be the chief executive officer.

(2) The Authority may, at any time if it considers necessary to do so, terminate the appointment of the General Manager with the approval of the Minister for reasons assigned.

(3) The General Manager shall, subject to the general direction and control of the Chairman, be charged with the direction of the business of the Authority, the organization and execution of the powers, functions and duties of the Authority, and the administrative control of the employees of the Authority.

(4) The General Manager may, with the approval of the Authority, delegate in writing to any other employee of the Authority, any of his powers, functions or duties, as he may, from time to time consider necessary and any employee to whom any such powers, functions or duties are so delegated, shall exercise, discharge or perform subject to the general or special directions of the General Manager.”.

Insertion of new section 17A in the principal enactment.

17. The following new section is hereby inserted immediately after section 17 of the principal enactment and shall have effect as section 17A of that enactment :—

“Appointment of officers and servants.

17A. (1) The Authority may appoint such officers and servants as it considers necessary for the efficient discharge of its functions.

(2) The officers and servants 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 rules made by the Authority.

(3) 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 of the Minister in charge of the subject of Public Administration, be temporarily appointed to the staff of the Authority for such period as may be determined by the Authority with like consent, or be permanently appointed to such staff.

(4) 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 him.

(5) 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 him.

(6) Where the Authority employs any person who 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 agreement.

(7) At the request of the Authority any member of the Provincial Public Service or any other officer or servant of any local authority may, with the consent of such member, officer or servant and the provincial Public Service Commissioner or that local authority, as the case may be, be temporarily appointed to the staff of the Authority for such period as may be determined by the Authority 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 Authority and the Provincial Public Service Commission or the local authority.

(8) Where any person is temporarily appointed to the staff of the Authority in pursuance of subsection (4) or subsection (7), such person shall be subject to the same disciplinary control as any other member of such staff.”.

18. Section 18 of the principal enactment is hereby amended as follows :—

Amendment of
section 18 of the
principal
enactment.

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

“(2) There shall be credited to the Fund of the Authority :—

- (a) all such sums of money as may be voted from time to time by the Parliament for the use of the Authority ;

- (b) all such sums of money as may be received by the Authority in the exercise, performance or discharge of its powers, duties or functions ;
 - (c) all such sums of money as may be received by the Authority by way of donations, gifts, or grants from any source whatsoever, whether in or outside Sri Lanka ; and
 - (d) all such sums of money as may be transferred to the Authority by any Government department, public corporation or other institutions.” ; and
- (2) by the insertion immediately after subsection (2) of the following subsection :—

“(2A) There shall be paid out of the Fund of the Authority all such sums of money required to defray any expenditure incurred by the Authority in the exercise, performance and discharge of its powers, duties and functions.”.

Insertion of new section 19A in the principal enactment.

19. The following new section is hereby inserted immediately after section 19 of the principal enactment and shall have effect as section 19A of the that enactment :—

“Borrowing powers of the Authority.

19A. (1) The Authority may, with the consent of the Minister, given with the concurrence of the Minister in charge of the subject of Finance and subject to such terms and conditions, borrow temporarily, by way of overdraft or otherwise, such sums as the authority may require for meeting the obligations of Authority or discharging its duties and functions under this Act :

Provided however, that the aggregate of the amounts outstanding in respect of any temporary loans raised by the Authority under this

subsection shall not at any time exceed such sum as may be determined by the Minister in consultation with the Minister in charge of the subject of Finance.

(2) The Authority may, with the consent of the Minister given with the concurrence of the Minister in charge of the subject of Finance, borrow money, otherwise than by way of temporary loan under subsection (1) by the issue of debentures and the debentures so created and issues in this Act are referred to as “Condominium Management Authority Debentures.

(3) Condominium Management Authority Debentures shall be issued, transferred, dealt with, redeemed and cancelled in accordance with such terms and conditions as may be determined by the Authority with the approval of the Minister given with the concurrence of the Minister in charge of the subject of Finance.”.

20. Section 20 of the principal enactment is hereby repealed and the following subsection substituted therefor :—

Replacement of section 20 of the principal enactment.

“Government guarantee.

20. (1) The Minister in charge of the subject of Finance shall, guarantee the repayment of the principal of, and the payment of the interest on, any sum due on debentures issued under this Act.

(2) Any sum required for the fulfillment of a guarantee provided under subsection (1) may, with the prior approval of the Parliament, be paid out of the Consolidated Fund.

(3) Any sum paid out of the Consolidated Fund in fulfillment of a guarantee provided under subsection (1) shall be repaid, together with interest thereon, at such rates as the Minister in charge of the subject of Finance may determine with the concurrence of the Minister, by the Authority, in such manner and over such period as the Minister in charge of the subject of Finance may with such concurrence determine.

(4) Where any sum is paid out of the Consolidated Fund in fulfillment of a guarantee provided under subsection (1), the Minister in charge of the subject of Finance shall forthwith lay before Parliament a statement that such sum has been so paid.”.

Insertion of new section 20A of the principal enactment.

21. The following new section is hereby inserted immediately after section 20 of the principal enactment and shall have effect as section 20A of the that enactment—

“Protection for action subject to Article 126 of the Constitution.

20A (1) Subject to the provisions of Article 126 of the Constitution, no suit or prosecution shall lie against any member, officer, servant or agent of the Authority for any act which in good faith is done or purported to be done by him under this Act, or on the direction of the Authority.

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

22. Section 25 of the principal enactment is hereby amended in subsection (2) of that section, by the substitution, for the words from “for a period not exceeding six months” to the end of that section of the words “for a period not exceeding one year or a fine not exceeding ten thousand rupees or to both such imprisonment and fine and if such offence is a continuing offence to an additional fine of one thousand rupees for each day on which the offence is continued after conviction.”.

Amendment of
section 25 of the
principal
enactment.

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

Amendment of
section 27 of the
principal
enactment.

- (1) by the substitution for the definition of the expression “common amenities” of the following definition :—

‘ “common amenities” means water, sewerage, drainage, gas, electricity, garbage disposal, airconditioning, telephone and radio services, and roads, accesses, lawns, gardens, parks, playgrounds and other open spaces ;’;

- (2) by the substitution for the definition of the expression “common elements” of the following definition :—

‘ “common elements” shall have the same meaning as is assigned to it by the Apartment Ownership Law No. 11 of 1973 ;’;

- (3) by the insertion immediately after the definition of the expression “common elements” of the following definition :—

‘ “Condominium Plan”, shall have the same meaning as is assigned to it by the Apartment Ownership Law No. 11 of 1973 ;’;

- (4) by the omission of the definition of the expressions “condominium property” and “housing scheme” ;

- (5) by the substitution for the definition of the expression “local authority” of the following definition :—

‘ “local authority” means any 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 ;’;

- (6) by the insertion immediately after the definition of the expression “local authority” of the following definition :—

‘ “management corporation” in relation to any one or more subdivided buildings shown on a condominium plan or semi condominium plan, means the management corporation established in respect of such buildings under the Apartment Ownership Law, No. 11 of 1973 ;’;

- (7) by the insertion immediately after the definition of the expression “management corporation” of the following definitions :—

‘ “owner” means the owner of the land parcel immediately before the subdivision thereof ;’

“owner of the condominium parcel” means the registered owner for the time being of a condominium parcel having a freehold estate in the condominium parcel or where a leasehold estate in the condominium parcel has been created a leasehold estate in the condominium parcel having an unexpired term of not less than twenty years computed as from the date of registration of such creation of leasehold estate ;’

- “parcel” means a defined space which is shown as an independent condominium parcel on a condominium plan or semi condominium plan or provisional condominium plan and which is designed for independent use consisting of one or more rooms whether occupying the entirety or part of one or more storeys in a building of more than one storey and which is shown as a separate condominium parcel on a condominium plan or semi condominium plan or provisional condominium plan and includes a parcel specified as an accessory parcel on any such plan provided that such defined space has a direct exit to a road or a common area leading to a road and access cannot be had through it to any enclosed space of like description ;’;
- (8) by the insertion immediately after the definition of the expression “prescribed” of the following definitions :—
- ‘ “prospective purchaser” shall have the same meaning as is assigned to it by the Apartment Ownership Law, No. 11 of 1973 ;’;
- ‘ “Provincial Council” means a Provincial Council established by Chapter XVIIA of the Constitution;’;
- ‘ “Provisional Condominium Plan” shall have the same meaning as is assigned to it by the Apartment Ownership Law, No. 11 of 1973 ;’;
- (9) by the omission of the definition of the expression “public corporation”;
- (10) by the substitution for the definition of the expression “residential unit” of the following definition :—

‘ “residential condominium parcels” means such residential condominium parcels as are comprised in a Condominium Property or Semi Condominium property ; ’;

- (11) by the insertion immediately after the definition of the expression “residential condominium parcels” of the following definition :—

‘ “Registrar” means the Registrar of Titles appointed under the Title Registration Act, No. 21 of 1998 and having jurisdiction over the registration district in which the Condominium Property or semi condominium Property or Provisional Condominium Property is situated ;’;

- (12) by the insertion immediately after the definition of the expression “Registrar” of the following definitions :—

‘ “storey” means any part of land parcel consisting of a space of any shape below, on, or above the surface of the land parcel or partly below and partly above the surface of the land parcel, the dimensions of which are delineated ;

“Semi Condominium Plan” shall have the same meaning assigned to it by the Apartment Ownership Law, No. 11 of 1973 ;

“sub-divided building” means any one or more buildings comprised in a Condominium Plan or Semi Condominium Plan or Provisional Condominium Plan approved by the authority empowered by law to approve the building plan ;’;

- (13) by the omission of the definitions of the expressions “tenement” and “unit” ; and

- (14) by the addition of the “following definition” immediately after the definition of “subdivided building” :—

“unauthorized construction” means any improvement or alteration to the condominium parcel or ancillary parcel appurtenant to such condominium parcel, any improvement or alteration to the common elements, any parceling or subdivision of the land parcel where the Condominium Property or Semi condominium Property is constructed, the erection or re-erection of sub structures and the construction of works on the land parcel, where the Condominium Property or Semi Condominium Property is constructed, carrying out of building, engineering and other operations on over or under such land parcel, or any change in the use for which the land parcel or any building or any structure thereof is used, without a valid permit from the authority who have been empowered by law to approve the building plan, or contrary to any term or condition set out in the permit issued in respect of the building plan approved for the relevant Condominium Property or semi Condominium Property ; .

24. The following Schedule is hereby added immediately after section 27 of the principal enactment :—

Addition of
Schedule in the
principal
enactment.

“SCHEDULE

[Section 9c]

- i. Name of the owner :
Address :
ii. Reference No. on
Registration of Provisional
Condominium Plan :

- iii. Name of the mortgagee
or mortgagees :
- iv. Amount secured under
each mortgage of the Provisional
Condominium parcel :
- v. Location-District :
- Town :
- Street :
- Assessment No. :
- vi. Number of storeys and number
of condominium parcels in
each of the stories as per the
Provisional Condominium plan :
- vii. Progress as at ”.

Savings.

25. For the avoidance of doubts, it is declared that—

- (a) all contracts, agreements and other instruments of the Common Amenities Board subsisting on the day immediately prior to the date of commencement of this Act, shall be deemed to be contracts, agreements or other instruments entered into by the Condominium Management Authority ;
- (b) all suits, actions, and other legal proceedings instituted by or against the Common Amenities Board 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 by or against the Condominium Management Authority ;
- (c) all rights, liabilities and obligations of the Common Amenities Board on the day immediately prior to the date of commencement of this Act, shall be deemed to be the rights, liabilities and obligations of the Condominium Management Authority ;

- (d) every decree, order or judgment entered in favour of or against the Common Amenities Board by any court in any action or proceeding, shall with effect from the date of commencement of this Act, be deemed to be a decree, order or judgment entered in favour of or against the Condominium Management Authority and may be enforced accordingly ;
- (e) every officer or servant of the Common Amenities Board, holding office on the day immediately preceding the date of commencement of this Act, shall be deemed with effect from the date of commencement of this Act, to be an officer or servant of the Condominium Management authority ;
- (f) every regulation made under the Common Amenities Board Law and in force on the date prior to the date of commencement of this Act and which is not inconsistent with the provisions of this Act shall be deemed to be regulations made under this Act and may accordingly be amended, added to, or rescinded by regulations made under this Act.

26. Every person holding office as a member of the Board on the day immediately preceding the date of commencement of this Act, by virtue of the provisions of subsection (1) of section 8 of the principal enactment shall, notwithstanding anything in the principal enactment cease to hold office on the date of commencement of this Act.

Members of the Board holding office on the day preceding the date of commencement of this Act to cease to hold such office on the date of commencement of this Act.

27. 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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