



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

**FINANCE (AMENDMENT)
ACT, No. 19 OF 1984**

[Certified on 2nd May, 1984]

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L. D.—O. 29/82.

AN ACT TO AMEND THE FINANCE ACT, No. 11 OF 1963

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

1. This Act may be cited as the Finance (Amendment) Act, No. 19 of 1984.

Short title.

2. Section 71 of the Finance Act, No. 11 of 1963 (hereinafter referred to as the “principal enactment”), as amended by Law No. 16 of 1973, is hereby further amended in subsection (2) of that section—

Amendment of section 71 of Act No. 11 of 1963.

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

“ (aa) unless such application is made within ten years—

(i) from the date on which such premises were sold in execution of a mortgage decree entered by a court against the original owner of such premises ; or

(ii) from the date on which such premises were transferred by the original owner of such premises in any of the circumstances referred to in paragraph (b) or paragraph (c) of subsection (1) ; or

(iii) from the date of the expiry of the specified period referred to in paragraph (d) of subsection (1) ; or ” ;

(b) by the omission of paragraph (b) of that subsection ; and

(c) by the substitution in paragraph (c) of that subsection for the words “sum of ten thousand rupees ; or”, of the words “a sum of twenty-five thousand rupees ; or”.

3. Section 72 of the principal enactment, as amended by Law No. 16 of 1973, is hereby further amended in subsection (3) thereof, by addition, at the end thereof, of the following :—

Amendment of section 72 of the principal enactment.

“For the removal of doubts, it is hereby declared that any right conferred on the tenant of any premises by the Rent Act, No. 7 of 1972 and the Protection of Tenants (Special Provisions) Act, No. 28 of 1970, is an encumbrance within the meaning of this subsection.”.

Amendment
of section 76
of the
principal
enactment.

4. Section 76 of the principal enactment as amended by Law No. 16 of 1973, is hereby repealed and the following section is substituted therefor :—

"Compensation in respect of premises vested in the Bank under this Part of this Act.

76 (1) The amount of compensation to be paid under this Part of this Act in respect of any premises vested in the Bank shall be—

(a) where such premises were acquired by the person who was the owner thereof prior to the publication of the vesting Order in regard to such premises, by purchase, the actual amount for which such premises were purchased by such person together with such interest thereon as may have been determined by the compensation Tribunal and an additional sum which is equal to the reasonable value of any subsequent additions and improvements made to such premises before the publication of the vesting Order in regard to such premises by any person who was interested in premises or the market value of such premises, whichever is less ;

(b) where such premises were acquired by the person who was the owner thereof prior to the date of publication of the vesting Order in regard to such premises, by gift or inheritance, the actual amount for which such premises were purchased by the predecessor in title of such person together with such interest thereon as may have been determined by the compensation Tribunal, and an additional sum which is equal to the

reasonable value of any additions and improvements made to such premises, by any person who was interested in such premises subsequent to such purchase and before the publication of the vesting Order in regard to such premises or the market value of such premises, whichever is less.

(2) where any damage had been caused to any premises vested in the Bank under this Part of this Act, during the period commencing on the date of the notice sent under subsection (2A) of section 71 to the owner of such premises and ending on the date of publication of the vesting Order in regard to such premises, the Compensation Tribunal shall have the power to assess the amount of such damage and to set-off against the compensation payable in respect of such premises, the amount so assessed.”.

5. The following new section is hereby inserted immediately after section 85 and shall have effect as section 85A of the principal enactment:—

Insertion
of new
section 85A
in the
principal
enactment.

“Offences
under
this Act in
connection
with
meetings
of the
Compensation
Tribunal.

85A. (1) Where any person—

(a) does anything that brings the Compensation Tribunal or members of the Compensation Tribunal into disrepute during the progress or after the conclusion of any meeting of the Compensation Tribunal;

(b) interferes with the lawful process of the Compensation Tribunal; or

(c) in the course of any meeting held by the Compensation Tribunal under this Act—

(i) fails without cause, which in the opinion of the Compensation Tribunal is reasonable, to

appear before such Tribunal at the time and place mentioned in any summons issued by such Tribunal; or

(ii) refuses to be sworn or having been duly sworn refuses or fails without cause which in the opinion of the Compensation Tribunal is reasonable, to answer any question put to him; or

(iii) refuses or fails without cause, which in the opinion of the Compensation Tribunal is reasonable, to produce and show to such Tribunal any document or other thing which is in his possession or power and which is in the opinion of such Tribunal necessary for determining the amount of any compensation payable in respect of any premises vested in the Bank under this Part of this Act,

such person shall be guilty of the offence of contempt against, or in disrespect of, the authority of the Compensation Tribunal.

(2) Where the Compensation Tribunal determines that a person has committed any offence of contempt referred to in subsection (1) against or in disrespect of its authority, it may cause its secretary to transmit to the Court of Appeal a certificate setting out such determination; every such certificate shall be signed by the Chairman of the Compensation Tribunal.

(3) In any proceedings for the punishment of an offence of contempt which the Court of Appeal may think fit to take cognizance of as provided in subsection (5) hereunder, any document purporting to be a certificate signed and transmitted to that court under subsection (2) shall—

(a) be received in evidence and deemed to be such a certificate without further proof unless the contrary is proved; and

(b) be evidence of the facts stated in the determination set-out therein and be conclusive evidence that such determination was made by the Compensation Tribunal.

(4) In any proceedings taken as provided in subsection (5) hereunder for the punishment of any alleged offence of contempt against or in disrespect of, the authority of the Compensation Tribunal no member of such tribunal shall, except with his own consent, be summoned or examined as a witness.

(5) Every offence of contempt committed against or in disrespect of the authority of the Compensation Tribunal shall be punishable by the Court of Appeal.”

6. Section 88 of the principal enactment is hereby repealed and the following section is substituted therefor :—

“The Bank, applicant under section 71 and claimants to compensation to be given opportunity of being heard.

88. Where a reference for an award as to compensation is made to the Compensation Tribunal, the Tribunal shall, before making an award, give the Bank, the person who made the application under section 71 for the acquisition of the premises to which the reference relates and every person who has made a claim to compensation, an opportunity of being heard, either in person or by an agent authorized in that behalf.”

Replacement of section 88 of the principal enactment.

Amendment
of section 91
of the
principal
enactment.

7. Section 91 of the principal enactment is hereby amended as follows :—

(1) by the renumbering of that section as subsection (1) of that section ; and

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

“(2) Where a default is made in the making of any half yearly payments due as rent, default shall be deemed to have been made in respect of the whole of the unpaid half yearly payments and the Chairman of the Bank may authorize any person in writing to sell such premises at any time not less than twenty-one days after the date of such authorization ; to recover the whole of the unpaid half yearly payments, together with interest thereon and the cost of advertising the sale and other incidental expenses connected with the sale of the premises.

(3) Where any premises are sold in pursuance of an authorization under subsection (2), the Chairman of the Bank shall sign and issue a certificate of sale to the purchaser and thereupon the title of the owner of the premises shall vest in the purchaser, and the Chairman shall, after deducting from the sale proceeds all monies advanced by the Bank, interest thereon and other costs recoverable, pay the applicant the surplus, if any, less ten *per centum* to be credited to a contingencies fund for bad and doubtful debts.

(4) The purchaser of any premises sold in pursuance of an authorization under subsection (2), shall, upon application being made to the District Court having jurisdiction over the place where the premises are situated, and upon production of certificate of sale issued in respect of the premises under subsection (3), be entitled to obtain an order for delivery of possession of the premises.

(5) Every application under subsection (4) 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 (Chapter 101).".

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

Amendment
of section 98
of the
principal
enactment.

(a) by the substitution, for the definition of "business premises", of the following definition:—

“business premises” means any premises used wholly and mainly for the purpose of business’; and

(b) by the insertion, immediately after the definition of “person who was interested”, of the following definition:—

“premises” means any land with or without buildings.’.