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PART IV (A) — PROVINCIAL COUNCILS
Provincial Councils Notifications

WESTERN PROVINCE PROVINCIAL COUNCIL

Western Provincial Pawn Brokers' Statute No. 01 of 2015

I, Prasanna Ranathunga, Chief Minister and Minister of Finance and Planning, Law and Order, Land, Education, Local Government and Provincial Administration, Manpower and Employment, Engineering Services and Information of the Western Province Provincial Council, hereby declare that Pawnbrokers' Statute No. 01 of 2015, Western Provincial Council, do by this order with effect from 09.06.2015 as Assent by the Honorable Governor of Western Province.

PRASANNA RANATHUNGA,
Chief Minister and Minister of Finance and Planning, Law and Order,
Land, Education, Local Government and Provincial Administration,
Manpower and Employment, Engineering Services and
Information of the Western Province Provincial Council

03rd July 2015,
Chief Ministry Office,
Shrawasthi Mandiraya,
Colombo 07.

PAWN BROKERS' STATUTE OF THE WESTERN PROVINCE PROVINCIAL COUNCIL No. 01 OF 2015

A statute to regulate the pawnbrokers' business, except the pawnbroker business conducted by a bank; and to allocate provisions for matters incidental and related thereto, also to repeal the Pawnbrokers' Statute No. 03 of 2001. Provisions of this statute are inconsistent with the provisions of the Pawnbrokers' Ordinance No. 13 of 1942.

Be it enforced by the Western Province Provincial Council of the Democratic Socialist Republic of Sri Lanka as follows -

CHAPTER I

GENERAL

1. This statute may be cited as the Pawnbrokers' Statute of the Western Province Provincial Council No. 01 of 2015 and it shall come into force from the date of assent of the Governor of the Western Province.

Short title and date
of enforcement.



CHAPTER II

Pawnbrokers' business being prohibited for certain persons

PERSONS PROHIBITED FROM ENGAGING IN THE PAWNBROKERS' BUSINESS

2. A person-

1. Not being a citizen of Sri Lanka; or
2. Is a foreign company; or
3. Is a foreign business institution; or
4. Has become an offender or non-qualifier due to certain disability stated in Section 10 of this statute;

he shall not conduct the pawnbrokers' business on the prescribed day or subsequently.

CHAPTER III

REGISTRATION

Registration compulsory prior to initiating business

3. (1) By every person intending to obtain Pawnbrokers' Licenses under this statute shall apply for registration prior to initiating his business and obtain registration for that from the Commissioner of Revenue.

An affidavit to be forwarded to the Commissioner of revenue

- (2) Where such application is made, the applicant shall present an affidavit to the Revenue Commissioner to confirm that certain illegal and/or certain unlawful action was not committed and/or not been convicted for certain such action until the time of applying; in case the applicant is a person convicted by a court or a person having a case against him pending at courts, all the details pertaining to the said lawsuit shall be presented to the Commissioner of Revenue by way of an affidavit.

CHAPTER IV

OBTAINING LICENSES

Pawnbrokers' to obtain a license .

- 4 (I) No person shall maintain a pawnbrokers' business unless he bears a license issued separately by the Commissioner of Revenue on behalf of every business center and/or branch engaging in pawnbrokers' business.
- (2) Every license issued under above Sub-section (I) shall conform to the format "a" stated in the First Schedule of this document.
- (3) Every license issued under above Sub-section (I) shall be valid only for the business place stated therein and for a period of one calendar year.

A copy of the license to be sent to the Officer-in-Charge of the Police

5. One copy of the license issued under Sub-section (I) of the above Section 4 shall be sent by the Commissioner of Revenue to the Officer-in-charge of the Police of the area where the pawnbrokers' business relevant to that license is conducted.

Transferring license without prior approval of Revenue Commissioner to be invalid

6. A license issued under Sub-section (I) of above Section 4, be it relevant to certain pawnbroker business, if transferred to other person without a written approval of the Commissioner of Revenue it shall be considered as null and void.

Applying for a license

7. (I) Every person who desire to obtain a license to carryon pawnbroker business shall forward an application in accordance to the format prescribed by the Commissioner of Revenue and accompanied by:

- (a) An affidavit that he has not committed an illegal act and/or unlawful act up to the time of applying for license and/or that he has not been convicted of such an offence or default; or in case the applicant is a person convicted by a court of law or a person having a case against him pending at courts, an affidavit containing all the details pertaining to the said lawsuit; and
 - (b) Business Names Registration Certificate; or in case it being a company, registration certificate under Company Registration Act and Articles of Association: if there is any,
 - (c) Along with the annual accounts reports to be forwarded according to Section 8 of this statute, where a pawnbroker maintains more than one pawnbroker center or more than one branch of the same, separate in respect of each center or each branch separately.
 - (d) A certified copy of the insurance certificate obtained as per Section 27 of this statute; and
 - (e) An instrument drafted as per provisions of Sub-section (1) of Section 43 of this statute.
- (2) A pawnbroker shall forward an application to obtain a license for pawnbroker business in respect of succeeding calendar year prior to two (02) months of the date on which the current license is to be expired.
- (3) At the registration of the application forwarded for maintaining a pawn business, a registration fee as determined by the Minister for that purpose payable according to provisions of Section 53 shall be paid as the relevant registration fee. In addition, amount specified under Sub-section 9 (2) shall also be deposited subject to the provisions stated under Sub-section 9 (3).
- (4) Where the annual license is issued to a pawnbroker who carried on a pawnbroker business without renewing the annual license on the due date, registration fee and the relevant license fee for every year that he carried out the pawnbroker business without a license and a demurrage charge of 10% percent from the relevant license fee for each month in which the pawnbroker business was conducted without a license, shall be charged.
- (5) Where the annual license is issued to a pawnbroker who carried on a pawnbroker business without obtaining the annual license, registration fee and the relevant license fee for every year that he carried out the pawnbroker business without a license and a demurrage charge of 20% percent from the relevant license fee for each month in which the pawnbroker business was conducted without a license, shall be charged.
- (6) Where an applicant has fulfilled the requirements under this Statute and regulations enforced under the same for obtaining a license and if he is not a non-qualifier, the Commissioner of Revenue shall not refuse to issue him a license.
- (7) Where certain person has forwarded an application to obtain a license to carry on pawnbroker business, in case a license is not issued, the Commissioner of Revenue shall inform the applicant his decision along with the reasons for refusal to issue a license, prior to lapse of 30 days of receiving the said request.

Annual accounts to be forwarded when applying for a license

8. A pawnbroker applying for a license in respect of any calendar year shall forward to the Commissioner of Revenue, annual accounts related to his pawn business of the immediately preceding financial year.

Prohibition of license issuance to certain persons

9. (1) Any person who is to be prohibited from carrying on a pawnbroker business due to reasons of enforcing provisions of Sub-section (2) of this Statute, a license to carry on a pawnbroker business shall not be issued on the due date or thereafter and any license issued to such person due to an error or any other reason shall be treated as null and void for all purposes.

Ordering license fees and security

(2) Annual license fees payable for a license to be issued and the amount of security payable by a licensee shall be determined, as per provisions of Section 53, by directions of the Minister published in the Gazette from time to time.

(3) Amount or amounts of Security payable by a licensee as informed by the Commissioner of Revenue as per above Section (2) shall be credited to a deposit account of Provincial Council a specified State Bank by the licensee himself. Amount in deposit and/or interest thereon shall not be paid to the depositor except on closure or conveyance of business. However, if there is any amount payable to a pawnbroker or pawnbrokers of articles by the licensee, such amount shall be deducted from the security deposit and interest, and paid.

Refusing issuance of a license

10. A person applying for a license to conduct a pawnbroker business :

- (a) if such person is convicted on any offence punishable under provisions of this Statute or provisions of Chapter XI, XIII, XVII or XVIII of the Penal Code, or under provisions of Weights and Measures Ordinance in any occasion within . five years immediately prior to the date of making an application to carry on a pawnbroker business; and /or
- (b) if he has not produced documents required under provisions of Section 7(1) of this Statute; and/or
- (c) if he has not produced annual statement of accounts required under Section 8 of this statute; and/or
- (d) if a license issued under this statute or under Pawnbroker's Ordinance is cancelled under Section 11 of this statute; and/or
- (e) if he is a person whose name is published in the Government Gazette according to Section 12(2) herein; and/or
- (f) if he is an auctioneer ;

such person shall not be issued with a license by the Commissioner of Revenue to conduct a pawnbroker business.

Cancellation of a license

11. (1) If the Commissioner of Revenue is satisfied after an inspection that a person holding a license under Section 4 of this Statute has acted in contravention of this Statute or regulations enforced under this Statute in respect of his business as a pawnbroker during the period of validity of license, such person's license may be cancelled.

However, the licensee shall be informed about such action before cancelling the license and he shall be given 30 days time to present matters against such decision.

- (2) Where a pawnbroker, and/or any of his servant and/or agent is convicted by courts in respect of an offence under this statute and/or in respect of certain fraud committed in his business and/or in respect of knowingly accepting smuggled articles, the license of that pawnbroker shall be annulled by the Commissioner of Revenue.
12. The Commissioner of Revenue, by way of a notification in Sinhala, Tamil and English newspapers shall publish;
- (1) The name of every pawnbroker, name of his business and the address where the said business is conducted in case where the period of validity of an annual license of certain licensee's has exceeded and no license has been issued to the successive year;
- (2) Name of the person, private address, name of business, address of where the said business was conducted in every occasion of being convicted under Section 37 of this Statute.
- The name and address of licensees contravening the regulations and conditions of the statute to be published in Gazette and newspapers
- CHAPTER V
- CONDITIONS TO BE OBSERVED BY THE LICENSEES
13. Every pawnbroker who intends to be absent from Sri Lanka from any period exceeding 03 months shall give written notice of the intentions to travel abroad to the Commissioner of Revenue. Further, having nominated a person who is entitled under this statute to carry out that pawnbroker business and to act for him on his behalf during his absence in Sri Lanka, shall obtain the written approval of the Commissioner of Revenue with regard to that.
- Notifying about pawnbrokers' absence from Sri Lanka
14. No pawnbroker carrying out pawnbroker business shall act as or carry on the business of an auctioneer.
- Pawnbroker not to act as an auctioneer
15. Every pawnbroker shall-
- (1) Keep exhibited in legible characters over the outer door of his shop or place of business, the name of his business, registered license number and the word "Pawnbroker" in Sinhala, Tamil and English languages,
- (2) Further; Keep exhibited in a conspicuous place of his business place, so as to be clearly visible. and be legible by every person visiting such place, a notice in Sinhala, Tamil and English languages containing particulars set out in the 2nd Schedule herein.
- Displaying the business Name, License No. and details of Second Schedule by a pawnbroker
16. Where every person engaged in the business of pawning is required under this Statute to enter any particulars in any book, form or document such particulars shall be entered in the languages of Sinhala or Tamil. In addition to that such details should also be entered in English.
- Languages to be used in entering particulars
17. Every pawnbroker shall keep and use in his business a Pledge Book, as set out in form "B" and a Sales Book of pledges as set out in form "c" of the First Schedule herein.
- Books to be kept by pawnbrokers
18. (1) Every pawn ticket shall be written and signed in original and two counterfoils as set out in form "D" of the First Schedule shown herein and in accordance with the directions contained in that form.
- Pawn tickets and pawning to take place

- (2) The particulars stated in the second Schedule shall be printed legibly in Sinhala, Tamil and English languages on the back side of the original of every pawn ticket.
- (3) Where a pledge is pawned the pawn ticket relating to the pledge shall bear the stamp duty to the prescribed value in the ticket. The expense to be incurred in providing such stamp duty shall be borne by the pawnbroker.
- (4) No any articles shall be or be deemed to be taken in pawn unless and until -
 - a) The pawner has signed the pawn ticket ;
 - b) The pawnbroker has signed the pawn ticket and has given the same to the pawner;

Interest rates

19. No pawnbroker shall, in respect of a loan on a pledge, charge interest at a rate exceeding the rates specified in the second Schedule.

Provided however, where certain tax is payable in respect of a loan given on a pledge, nothing in the preceding provisions of this Section shall be deemed to prohibit the pawnbrokers from recovering such tax from the pawner. In this section “pledge” includes a pledge which has been pawned and not been redeemed before the prescribed date.

CHAPTER VI

PLEDGES

Pledges redeemable within 24 months

20. Every pledge shall be redeemable within a period of 24 months (hereinafter in this Statute referred to as the “period of redemption”) from the day of pawning exclusive of that day.
21. Notwithstanding anything stated in Section 20 of this Statute to the contrary, every pledge shall continue to be redeemable until it is disposed of as provided under Section 29 of this Statute, although the period of redemption as expired.

Procedure for redeeming of a pledge

22. (1) The pawner shall be entitled to redeem a pledge if he surrenders to the pawn broker original of the pawn ticket relating to the pledge and proves his identity by signing on the original ticket in the presence of the pawnbroker or his agent or servant.
- (2) A person other than the pawner shall be entitled to redeem a pledge. if such person surrenders to the pawnbroker the original of the pawn ticket relating to the pledge, duly signed by the pawner, and if such person proves his identity and signs the original pawn ticket in the presence of the pawnbroker, or his agent or servant
- (3) Where by reason of the death or of legal disability of the pawner, the holder of the original of the pawn ticket relating to the pledge, claims to be entitled to redeem the pledge, but is unable to surrender to the pawnbroker the original of the pawn ticket relating to that pledge duly signed by pawner, shall be entitled to redeem such pledge if such holder of the original of the pawn ticket surrenders the same together with an affidavit made properly before a Justice of Peace or Commissioner of Oaths by said holder and person standing as witness on holder’s identity, to the pawnbroker and signs the original pawn ticket in the presence of the pawnbroker, or his agent or servant and proves his identity.
- (4) Subjected to the provisions of Sub-sections (1), (2) and (3) above, the pawnbroker shall on payment of loan lent on the pledge, the interest due thereon and the tax of any payable in respect of such loan deliver the pledge to the pawner or holder of the

pawn ticket relating to the pledge; and the pawnbroker who has taken action thus shall be indemnified from any responsibility pertaining to the relevant transaction.

Provided however, if the pawnbroker has reason to suspect that the holder of pawn ticket has obtained the possession of the pawn ticket illegally and by theft, or otherwise, the pawnbroker shall immediately inform the closest Police Station with regard to that.

Keeping pawn tickets in custody in illegal manner.

23. (1) Any person claiming to be the owner of a pledge, by not holding the original of the pawn ticket, or any person claiming to be entitled to hold the original of the pawn ticket as per Sub section 22(3), alleges that the foil of such ticket has been lost, stolen, mislaid, destroyed or fraudulently obtained from him, may furnish to the pawnbroker a affidavits made properly and duly declared before a Justice of Peace or Commissioner of Oaths by himself and by the person witnessing his identity, shall have the right to redeem the said pledges. Thereupon have as between himself and the pawnbroker, all the same rights and remedies as if he produced the original of the pawn ticket. Provided however, that for the purpose of redeeming a pledge he shall sign the counterfoil of the pawn ticket, not the original thereof, as required by Section 18.

Protection of owners and of pawners not having pawn tickets

- (2) The pawnbroker is hereby indemnified from the provisions set out in above (1) for delivering the pledge or acting in confirmation with the declaration, unless he has actual or con vincible notice that the declaration is fraudulent or false in any material particulars.

24. (1) Where the original of a pawn ticket is surrendered to the pawnbroker for the purpose of redeeming a pledge, the pawnbroker shall retain in his possession the original, second copy and third copy of the pawn ticket for a period of twelve months reckoned from the date of the redemption of that pledge.

Pawn ticket to be retained by the pawnbroker after redemption or sale of pledge

- (2) Where a pledge is redeemed without surrendering the original of the pawn ticket relating to the pledge, the pawnbroker shall retain in his possession for a period of twelve months reckoned from the date of the redemption of that pledge the second and third copies of the pawn ticket relating to the pledge and the affidavit furnished to him under Section 23(1) for the purpose of such redemption.

- (3) Where a pledge is sold under the provisions of this Statute, the pawnbroker shall retain in his possession the second and third copies of the pawn ticket relating to the pledge for a period of twelve months reckoned from the date of sale.

25. (1) Where any pledge pawned to a pawnbroker is definitely lost under specific condition, the security kept by that Pawnbroker shall be deployed properly in order to pay compensation to the Pawner or any other person entitled to redeem that pledge.

Application and return of security furnished by Pawnbroker

- (2) The Pawnbroker shall re-deposit the deficit amount of security from the security to be deposited as per Sub section 9(2) that became deficit due to the reason of payment of compensation under above Sub section (I) to the persons eligible for compensation. If the amount payable under Sub section (I) above exceeds the security deposit, such amount that exceed shall also be paid. In addition to that the amount of the security stated in Section 9(2) should be re-deposited by the Pawnbroker.

Setting of the security and liquidation of business by settling deficits

At liquidation of business repaying the security to pawnbroker	(3) Where a person ceases to carry on the business of a pawnbroker, the amount of security furnished by him shall be payable to such pawnbroker, after deducting any amount due for payment of any sum mentioned under Section (I).
In case of damage to the pledge	26. Where a pledge is destroyed or damaged on consequence of fire or natural disaster, the pawnbroker shall be liable on demand by the pawner within the period of redemption of the pledge to pay to the pawner the balance money; after deducting the amount of loan and interest and the tax amount, if any, payable in respect of such loan; from the value of the pledge calculated as at the pawned date.
Insurance Cover to be obtained	27. Every pawnbroker shall insure his business with full liability insurance cover, showing the full value of the articles pawned with him and all articles and pledges intended to be pawned with him within a year.
Receipt issued at the time of redemption of pledge	28. Every pawnbroker shall, at the time of redemption of the pledge issue a receipt for the amount of loan and interest paid to him including the taxes if any recovered by him and such receipt shall be kept in the form "E" set out as per Schedule I herein and a copy of such receipt shall be retained by the pawnbroker.
Pledges may be sold by auction	29. (1) Every pledge which is not redeemed within the period of redemption may be disposed by sale at a public auction; but shall not be disposed of otherwise and regulations in the third schedule shall be observed in such sale.
Requirement of Revenue Commissioner's approval to hold auction	(2) Where a pledge is to be sold by public auction, under preceding provisions of this Section the pawnbroker with whom such pledge has been pawned, shall, for the purpose of obtaining approval, give at least 60 days notice in writing to the Provincial Commissioner of Revenue, of the date and time fixed for such sale and the place such sale is to be held. The Commissioner of Revenue, subsequent to receiving such notice shall inform his decision to the pawnbroker before 30 days of the date given for holding the auction. (3) Where a pledge of a pawnbroker is to be sold under this statute, after obtaining permission from the Provincial Commissioner of Revenue, the pawnbroker shall inform the pawner in writing by a preliminary notice sent via registered post before 14 days about the date, time and place of auction sale to be held by the pawnbroker,.
Procedure at sale of pledge for amount exceeding the loan interest and tax	30. In every occasion where a pledge is sold under this Statute for more than the amount of the loan and interest thereon due on the date of sale, including any tax payable in respect of such loan, the pawnbroker shall- (a) Within 2 weeks of conclusion of the auction inform the pawner in writing to the address stated in Pledge Book by registered post as to the amount of which the pledge was sold, and the amount lying to the credit of the pawner after deducting the loan amount, interest, certain tax and necessary costs and charges of the sales, and, (b) Such amount lying to the credit of the pawner shall be paid to the him, if he makes a demand within one year from the date of such sale. (c) Where there is any money as at 30 th June and 31 st December of every year, unclaimed by pawners, an accounts report about such money shall be presented by the pawnbroker to the Commissioner of Revenue.

(d) If no such demand is made within one year period as provided under Section (b) above, immediately after expiry of such period, the amount lying to the credit of the pawner shall be entrusted to the Provincial Commissioner of Revenue.

31. (1) Where certain amount of money is deposited in the name of Commissioner of Revenue as per provisions of Section 30, the pawner shall forthwith be informed by the Commissioner of Revenue about such deposit.
- (2) Within six months of the receipt of a notice sent by Commissioner of Revenue under Sub section (1) above, where a written request is made by the pawner to the Commissioner of Revenue to pay to him the amount stated in such notice, that amount shall be paid to the pawner by the Commissioner of Revenue within 30 days upon receipt of such request.
- (3) When no request is received within the six months period as provided under Section (2) above, such amount that was to be payable to a pawner shall be credited to the Provincial Council Fund by the Commissioner of Revenue.

Procedure related to money on sales of pledges deposited with Commissioner of Revenue

32. A pawnbroker shall not bid at a public sale by auction, held or purporting to be held under provisions of this Statute, for a pledge pawned with him.

Pawnbroker prohibited from purchasing pledges at auction

CHAPTER VII

INSPECTION, EXAMINATION AND SEIZURE

33. (1) At any occasion within two years from the date on which a pledge was sold under provisions of this statute, the holder of the pawn ticket may inspect the entry of the sale in the pawnbroker's book and in the catalogue containing information about the auction sale and authenticated by the signature of the auctioneer, or either of the entries. The pawnbroker shall permit the holder of the pawn ticket to inspect the entry of the sale in such book and in the catalogue or either of them.
- (2) The Revenue Commissioner or an officer in state public service or Provincial Public Service or a team of such authorized by him in writing has the power to inspect accounts of the business of a pawnbroker.

Powers relating to inspection of sale book and accounts

34. Where any person -

- (a) Not producing the National Identity Card, valid Passport or Driving License when offering an article on pawn, and/or,
- (b) Refusing and/or unable to give satisfactory account of the means by which he became in possession of the article presented to a pawnbroker for pawning, and/or,
- (c) Willfully gives false information to a pawnbroker whether an article offered on pawn by such person is his own property or not, or as to his name and address, and/or,
- (d) Attempts and tries to redeem a pledge not entitled to be redeemed by him, and/or,
- (e) The pawnbroker has reason to suspect that when an article is offered on pawn, the same has been stolen or otherwise illegally obtained -

Procedure to be followed where pawner produces inaccurate information about himself or articles pawned

the pawnbroker, considering the above factors has reasonable and justifiable suspicion about the pawner; shall inform the Police in charge of the said area forthwith.

Power to search
 pawnbroker's shop or
 residence

35. It shall be lawful for an officer of the Public Provincial Public Service, or group of officers authorized by the Provincial Commissioner of Revenue, to enter any pawnbroker's shop or place of business at any hour and examine and take any notes of any articles pledged with the pawnbroker and/or any books and documents kept by him. If the Commissioner of Revenue decides that the assistance of a Police Officer is necessary for such search, that Police Officer in Charge may be accompanied and attend to any matters or all matters herein mentioned. No person shall resist any such officer or group of such officers in the execution of such duties.

CHAPTER VIII

OFFENCES AND PENALTIES

Offences by pawners
 and other persons

36. (1) Every person who-

- (a) Offers to a pawnbroker an article on pawn, but refuses or is unable to give a satisfactory account of the means by which he became in possession of such article; and/or,
- (b) Willfully gives false information to a pawnbroker whether an article offered by him on pawn to the pawnbroker is his own property or not, and/or as to his name and address and/or as to the name and address of the owner of such article; and/or,
- (c) Pawns or trying to pawn with a pawnbroker, without any lawful excuse, the property of another person ; and/or,
- (d) Attempts to redeem a pledge not being a person entitled to redeem such pledge; and/or,
- (e) willfully and knowingly gives false information regarding the article offered on pawn or when the pawnbroker has reason to suspect that the article offered on pawn has been stolen or otherwise illegally obtained;

shall be guilty of an offence

Promoting

- (2) Every person violating any provision of this Statute or fails to perform anything which is required to be performed under provisions of this Statute or promotes such contravention, shall also be guilty of an offence

Offences by
 pawnbrokers

37. Every pawnbroker who-

- (1) Maintains a pawnbroker's business without obtaining a proper license from the Commissioner of Revenue under provisions of Section 04 of this Statute; and/or,
- (2) Fails to forward the annual report on accounts to the Commissioner of Revenue under provisions of Section 08 of this Statute and/or
- (3) Contravenes provisions of Section 22 and/or, provisions of Section 34 of this Statute or neglects conformation to such provisions; and/or,
- (4) Neglects to have his business insured with a full liability insurance as prescribed by Section 27 of this statute; and/or,

- (5) Takes an articles on pawn from any person appearing to be under the age of eighteen years and or under the influence of liquor; and/or,
- (6) Takes an article on pawn without giving the pawner original of the pawn ticket; and/ or,
- (7) Purchases, takes on pawn or exchanging the original of a pawn ticket issued by another pawnbroker; and/or,
- (8) Employs any servant under the age of eighteen years to take an article on pawn; and/or,
- (9) Make room for redemption of an article while in pawn with him with a view to purchasing it; and/or,
- (10) Come into agreement with pawner or person offering to pawn any article; to purchase, sell or to dispose an article kept with the pawnbroker in pawn within the period of redemption or to purchase, sell or dispose an article offered for pawning at the time of pawning; and/or,
- (11) Come into agreement with any person other than the pawner; to purchase, sell or to dispose an article kept with the pawnbroker in pawn within the period of redemption or at the time the said article was offered for pawning; and/or,
- (12) Sells or otherwise disposes of any pledge pawned with him, except in such manner as is authorized by this Statute; and/or,
- (13) Makes any false entry in any book required to be kept by him under this Statute or neglecting to enter therein any entry which is required by the Statute; and/or,
- (14) Contravenes any of the provisions of this Statute that does not carry a declared penalty;

Shall be guilty of an offence

38. Every pawnbroker who knowingly taking on pawn any linen or apparel, or unfinished goods or materials entrusted to any person to wash, clean, iron, mend, manufacture, workout, finish or decorate shall be guilty of an offence. Prohibition of taking on pawn linen, clothing, unfinished goods
39. Every pawnbroker who neglects to deposit with the Provincial Commissioner of Revenue the amount lying to the credit of a pawner as required by Section 30 shall be guilty of an offence. Defaulting of deposits to be an offence
40. (I) Where an offence is committed by a board of persons, if the said board of persons is a corporation all the directors and officers of the said corporation, or, if it is a business institution all the partners of the said business, or, if it being a non-incorporated company and non-business institution, the management and all the officers responsible for its administration shall be considered as offenders. Offences by Directors and Managers of a limited company

However, where a person proves that the said offence was committed without his knowledge or he has taken prompt action to prevent the said offence being committed, such a person shall not be considered as an offender to the said offence.
- (2) Anything done or neglected to be done by the servant or agent of a pawnbroker in the course of carrying out the business or in relation to the business of a pawnbroker, Offences by a servant or agent of a pawnbroker

shall be deemed to be done or neglected, as the case may be, by the pawnbroker.

Provided however, any action done or neglected by any servant or agent of the pawnbroker contravening any provision of this Statute, such servant or agent shall be guilty of an offence.

Offences and
Penalties

41. (1) (a) Every person who takes action while violating Sections 2, 3(1), 4(1), 14, 17, 19, 22(4), 27, 29, 30, 34, 36, 37(12), 38, 39, 44, 45 of this statute and found guilty when convicted after a summary trial before a Magistrate, shall be subjected to a fine not less than Rs. 200,000/- or imprisonment for a period not exceeding six months or both the fine and imprisonment. In addition to the above penalties, the court has power to order closure of a pawn business kept by a pawnbroker. The courts may make suitable orders based on situational matters arising in relation to the said pawning businesses and safety of pledges, handing over of pledges to the owners again.
- (b) In addition to the penalties imposed under above Sub section (1)(a), a court of law shall order, in respect of a pawnbroker who maintains his pawn business without obtaining an annual license, to pay arrears of annual license fees and a sum equal to the penalty as imposed under Section 7(5) of this statute. All sums of money charged by a court of law as per this Subsection shall be credited to the Provincial Council Fund.
- (c) In addition to the penalties imposed under above Sub-section (1)(a), a Court of law shall order in respect of a pawnbroker who maintains his pawn business without renewing his annual license, to pay arrears of annual license fees and a sum equal to the penalty imposed under Section 7(4) of this Statute. All sums of money charged by a court of law as per this Subsection shall be credited to the Provincial Council Fund.
- (d) In addition to a penalty imposed under above Sub section (1) (a), where a pawnbroker is convicted for an offence under Section 38, further to a penalty imposed by a court of law for that offence, the court may order that pawnbroker to deliver such pledge to the owner in the presence of the court or in any other manner which the court may direct.
- (e) In addition to a penalty imposed under above Section (1)(a), where a pawnbroker is convicted for an offence under Section 39 further to a penalty imposed by a court of law for the said offence, the court may order a sum equal to that amount be paid by the pawnbroker in the manner of recovering a fine from such pawnbroker. All such money, charged and collected thus by the court shall be deposited in custody of the Commissioner of Revenue.

General Penalties

2. Every person functioning having contravened Sections 13, 15, 18(1), 18(3), 19, 24, 32, 35, 37(5), 37(6), 37(7), 37(8), 37(9), 37(11), 37(13) and 54, subsequent to being convicted by a summary trial conducted before a Magistrate, shall be subjected to a fine not less than One Hundred Thousand Rupees or imprisonment for a period not exceeding 06 months or both the fine and imprisonment.

Articles unlawfully
possessed by a
pawnbroker

42. Whenever it is reported to a court of law that in any legal action filed under this Statute that a pawnbroker is in unlawful possession of an article or several articles, then the court of law shall order such article or articles to be produced before the court and make suitable orders that may consider necessary and under such orders if any, the court has the power to

order such article or articles to be delivered to any person named by such court, and where such delivery is not possible, the court may order such article or articles to be confiscated.

CHAPTER IX

CONVEYING AND LIQUIDATION OF THE BUSINESS

43. (1) Where a business of a pawnbroker is maintained by a single person, and if he intends to convey it to someone after his death, a legal instrument prepared properly containing obligations with that person and be produced when applying for registration for license or at the time of obtaining annual license. However, such person shall be qualified to issue a license to carry on a pawn business under this Statute.
- (2) Where the person who is nominated for conveyance of the business as per above Sub section (1) above, is found to be dead, a legal document containing obligatory conditions, signed by other person for and on behalf of deceased person, shall again be forwarded to the Commissioner by the pawnbroker.
- (3) Where a pawn business is to be carried out on partnership basis, there shall be provisions in the partnership agreement to protect the rights of pawners when liquidating such business. If the Commissioner is of opinion that such provisions have not been included in the partnership agreement the issuance of license shall be refused.
44. (1) If a pawnbroker conducting a pawning business intends to convey that business to another person from certain date onwards, a written request in that regard should be made from the Commissioner of Revenue prior to three months from such conveyance.
- (2) (a) Where such a request received, the Commissioner of Revenue within 07 days of receiving such request shall inform the pawnbroker in writing:-
- (i) to stop taking articles on pawn of that business from a specific date onwards;
 - (ii) to obtain and forward police clearance certificates from the Officer in Charge of the Police Station purviewing the area of his business place, and from the Officer in Charge of the Police Station purviewing the area of his permanent residence;
 - (iii) to forward by the conveyer an affidavit containing the facts specified in Sub-section 3(2) of this statute and if he is engaged in any business, to forward a police clearance certificate from the Officer in Charge of the police station where his business is located and from the Officer in Charge of the police where he permanently resides in;
 - (iv) to forward all the details pertaining to all the pledges to be released and pledges not have been redeemed within the pawning period;
 - (v) to furnish other details as required by the Commissioner of Revenue.
- (b) A person who is bound to make a request to the Commissioner of Revenue under this Section is in a disabled condition physically and mentally, and if such business is an individually owned business, such request may be made by

Need to produce an instrument at the time of applying for license regarding the person to whom business is conveyable at the death of pawnbroker

A written notice to be obtained from Commissioner of Revenue to convey the business

a lawful heir of such person. In case of a partnership business, any other partner/partners may make such request.

- (3) The Commissioner of Revenue within one calendar month of receiving a request for conveyance of pawning business as per Sub section (I) above shall inform his decision to the said person in writing.
- (4) From the date of receiving the decision of Commissioner of Revenue under Sub - section (3) above, the pawnbroker shall publish in the place of said business and in daily newspapers of Sinhala, Tamil and English languages, a public notice containing the name, address, National Identity Card number of the conveyer of his business and the date of conveyance.

Liquidation of
business

45. (1) Any person carrying on a pawn business, if intends to liquidate his business, a written request shall be forwarded to Commissioner of Revenue before three months to the date of liquidation.
- (2) A person keeping a pawning business under Sub section (I) above, upon making a written request to the Commissioner of Revenue to liquidate his business, shall, within 14 days of making such request publish, in the place of business and in Sinhala, Tamil and English newspapers, a notice stating his intention to liquidate his business.
- (3) (a) Where a written request is received for liquidation of business under above Sub-section (1), the Commissioner of Revenue shall within seven days of receiving such letter, inform the pawnbroker in writing -
 - (i) to stop taking articles on pawn from a specified date onwards;
 - (ii) to forward all information in respect of all pledges to be redeemed;
 - (iii) to forward an affidavit that he will carry on the business until the date of redeeming the last pledge.
- (b) Furthermore, the Commissioner of Revenue, after informing the relevant Police Station that the said pawnbroker has made a request to liquidate his business, shall call a report from the Heads of the Police Stations purviewing the pawnbroker's residential area and business place as to there is any complaint against his business in relation to any criminal offence and whether there is a court proceeding related to any criminal offence against his business.
- (c) A person who is bound to make a request to the Commissioner of Revenue under Section (I) above is physically and mentally in a disable condition and if such business is an individually owned business, such request may be made by a legal heir of such person. In case of a partnership business. any other partner /partners may make such request.
- (4) The Commissioner of Revenue within one calendar month from the date of receiving a request to liquidate a pawn business under Sub-section (I) above shall inform his decision in writing to such person.
- (5) Within 30 days from the date of receiving the written decision of Commissioner of revenue under Sub section (4) above, the pawnbroker shall publish at his business place and in Sinhala, Tamil and English newspapers a public notice stating the date of liquidation of his business.

CHAPTER X

SPECIAL SITUATIONS

46. Where this Statute states certain action be carried out by certain person or where performance of certain action or function required under this statute, and in case of the intended person is disabled physically or mentally, such action or function will have to be performed by the legal heir of the said disabled person. Caretaker to act on behalf of the person disabled
47. When accomplishment of certain action to be performed by certain person or accomplishment of certain action or function under this Statute involves a partnership business, where two or more persons are involved, such action or function shall be performed by the principal partner of the said business. Principal partner to act in case of partnership business

However, any person who has been informed under the provisions of this Statute as the principal partner of a partnership business, he shall be deemed as the principal partner unless proven that he is not a partner of the said business or any other person in Sri Lanka is the principal partner of the said business,
48. (1) Where certain action is performed under this Statute by a board of persons, if the said board of persons is a corporation all the directors and officers of the said corporation or if it is a business institution, all the partners of the said business or if it being a company non-incorporated non-business institution; the management and all the officers responsible of its administration shall be responsible for the said action. Assigning responsibility on behalf of company or board of persons

However, where a person who has been notified under the provisions of this statute on behalf of a board of persons being a corporation, business institution or non-incorporated company; if he proves that he has no connection whatsoever with the said board of persons or he has no responsibility with regard to the said actions, he shall be considered as not responsible to such action.
49. Where a certain person conducting a pawning business conveys his business to other certain person, even though the conveyer has not been notified previously about an amount of arrears defaulted in relation to that business that had existed for a time-period prior to the conveyance, the provisions of this Statute should be applicable with regard to charging that arrear amount from the said conveyer. Convey to pay arrears
50. (1) Where a person conducting pawning business has deceased, his successor shall be subjected to carry out all the activities, matters and affairs that the deceased person was subjected to accomplish under this Statute had he been alive and all the arrears for the period prior to the death of the deceased, chargeable from the deceased person had he been alive, shall be levied from the said executor. Executor subjected to pay defaulted money payable by a person deceased.

Nevertheless
 - (a) No legal suit shall be filed against the executor under the provisions of Chapter VIII of this Statute with regard to certain action or negligence of the deceased person;
 - (b) The responsibility of the executor under this Section shall be limited to the total -
 - (i) arising from the amount of the estate of the deceased person which the executor possessed or was under his control at the date of delivery of such notice to him regarding any binding arising under the provisions of this Statute; and

- (ii) an amount of certain part of that estate which may be in possession of an inheritor or other person connected to such estate.

CHAPTER XI

RECOVERY OF AMOUNTS IN ARREARS

Notifying to pay the amount in arrears

51. (1) In order to recover certain amount in arrears under this statute, the Commissioner of Revenue shall inform through registered post informing the pawnbroker or person bearing the said responsibility that payments should be made prior to a date specified in the notice, whereas, any amount not paid so shall be considered as arrears and charged.

Informing by registered post prior to recovery of arrears

- (2) (a) When there is a default of payment of an amount under Sub section (1) above, the Commissioner of Revenue before taking action to recover such amount in any manner according to foregoing provisions, a letter or a notice shall be issued to the defaulter under registered post stating -

(a) the details of the amount in arrears

(b) the intention of taking action to recover the amount in arrears

Objections may be forwarded regarding recovery of arrears

- (3) Such a pawnbroker in receipt of a notice issued by the Commissioner of Revenue under above Sub section (2) may forward any objection if any, in writing within 30 days of the date stated in such notice to the Commissioner of Revenue. The Commissioner of Revenue shall consider such objection and shall inform his decision to pawnbroker or person bearing that responsibility in writing within 2 weeks of receiving such objection and such decision shall be final and conclusive.

Legal action before a Magistrate for recovery of amount in arrears

52. (1) For the purpose of recovering any amount of arrears payable under this Statute, the Commissioner of Revenue or a person authorized by him in writing may issue a certificate to a court exercising proper jurisdiction.
- (2) Nothing under this Section shall authorize or require the Magistrate in any proceeding thereunder to question the correctness of a statement included in a certificate or statement issued by the Commissioner of Revenue for the purposes of above Section (1), whereas, the Magistrate shall take measures to charge the amount stated in the said certificate as a penalty.
- (3) In any legal proceedings the assurance of the Commissioner of Revenue shall be an ample evidence that the defaulted amount in arrears has been calculated properly and payments of such amounts had been defaulted; and any type of answers filed showing that fees are excessive and false and such appeals made against shall not be considered or accepted.

CHAPATER XII

GENERAL PROVISIONS

Enforcing regulations

- 53 (1) The minister may make regulations and/or orders from time to time in respect of matters authorized by this Statute to make laws/regulations and/or orders or matters required to enforce the provisions of this Statute.

- (2) Without harm to the extension of powers assigned by Sub section (1) above, the minister may make regulations ;
- (a) ordering certain specific matter considered as prescribable by this Statute; and
 - (b) providing provisions for certain matter consequential or supplementary to placing security by pawnbrokers.
- (3) All rules, regulations and/or order made under this Section shall be published in the Gazette and shall come into force from a date specifically stated in the said rule, regulation and/or order, or from a subsequent date of such publication.
- (4) Every regulation made under this Section shall be presented to the Provincial Council meeting within three months of its publication in the Gazette or in case a Provincial Council meeting was not held within that period, such regulation, in order to be decided or approved, shall be presented in the form of a motion to the first Council meeting held subsequent to the elapse of that period. Any regulation not approved having presented to the Provincial Council meeting thus, shall be considered as repealed from the date of such rejection, however, no harm shall be caused to any action taken under that regulation prior to its rejection.
- (5) From whatever date should certain regulation be considered as repealed, such date shall be announced by a Gazette notification.
54. (1) For the purpose of this Statute the Commissioner of Revenue by written notice require any person to -
- Information required by Revenue Commissioner
- (a) produce, within a specified period of time, specially mentioned books, accounts, trading lists, stock lists, registers, vouchers, cheque books, pawn tickets, pledge books, audit reports, or any other documents mentioned in such notice, owned by such person.
 - (b) Supply any information
 - (c) Be present at a time, date and place mentioned in the notice, by himself or by an authorized representative to check any matter or any matters.
- (2) When a notice is served, upon any person to furnish any information mentioned under Paragraph (a) of Sub section (1) such person shall act according to such directions contrary to whatever mentioned under any other written law, wherein; any books, accounts, trading lists, stock lists, registers, vouchers, cheque books, pawn tickets, pledge books, audit reports, or other documents that have been produced to the Commissioner of Revenue or being produced or taken into his possession by any other manner, when required to be kept in his possession for a certain period for purposes of this Statute, they may be kept in his possession as required.
- Retaining information
55. Any notice sent by registered post under this statute shall be considered as duly served to the person named in the notice on the 7th day from the date of handing over the said notice to the post.
- Serving notices
56. Filing any legal action for any offence under this Statute shall take place on the approval of the Commissioner of Revenue.
- Filing legal action

Format preparation	57. The Commissioner of Revenue shall determine from time to time the forms to be used for the purpose of performing duties under this Statute, the Commissioner may amend or alter from “time to time the forms and or registers so determined or substitute any other forms or registers so determined.
Official confidentiality	58. Every person appointed under this Statute or considered having appointed so, or every person employed or being employed to assist any person for the purpose of carrying out or to carry out the functions and provisions under this Statute, shall protect and safeguard the secrecy in respect of all matters known to him concerning any person’s duties and activities performed under provision of this Statute, except when, in the performance of his own duties and such fact or information shall not be conveyed to anyone except to the person to whom it is relevant or to his authorized representative, or to the minister, or to the Chief Secretary, or to his authorized representative and shall not allow and keep room, or permit any person to obtain any document whatsoever in the possession, custody and in the control of the Commissioner of Revenue.
Servant or agent may function on pawnbroker’s behalf	59. Any function or anything whatever is authorized to be exercised by a pawnbroker under this Statute may be exercised by a servant or an agent of a pawnbroker with his permission.
Assigning powers etc., under the statute	60. Any authority, duty or task stipulated under this Statute may be carried out and exercised by an officer of Public Service! Provincial Public Service assigned with written authority under the signature of Commissioner of Revenue.
Shop keepers deemed as Pawnbrokers	61. For the purpose of this Statute any person who, purchases or receives or takes in goods and pays, or advances or lends thereon any sum of money under an agreement or understanding expressed on implied, or be form the nature and character of the transaction reasonably inferred that those goods may be redeemed or purchased on any conditions; or who keeps a shop for the purchase or sale of goods or for taking goods by way of security for money advanced thereon; shall be considered as a person carrying on the pawn business. (Further, every such transaction, article payment advance and loan shall be deemed a pawning, pledge and loan within this Statute;)
Criminal Code of Procedure No. 15 of 1979 to be applicable	62. The provisions of Criminal Procedure Code No. 15 of 1979 shall apply for the purposes of this statute.
Pawnbrokers' Statute No. 03 of 2001 repealed	63. From the date of enforcement of this statute, the Pawnbrokers’ Statute No. 03 of 2001 of Western Provincial Council shall be repealed.
Interim provisions	64 Whatever contrary has been stated in this Statute- <ul style="list-style-type: none"> (a) A license issued within the Western Province under Pawnbroker’s Ordinance No.13 of 1942 or Pawnbroker’s Statute of Western Province Provincial Council No. 03 of 2001 shall be deemed as a license issued under this Statute; (b) Until orders formulated under this Statute be substituted In place of any order formulated under Pawnbroker’s Ordinance No. 13 of 1942 or Pawnbroker’s Statute of Western Province Provincial Council No. 03 of 2001, such regulations shall be considered as regulations formulated under this Statute; (c) A lawsuit filed under Pawnbroker’s Ordinance No. 13 of 1942 or Pawnbroker’s Statute of Western Province No. 03 of 2001 and was pending till the immediate date previous to the specified date and a decision given by a court of law in such lawsuit shall be considered, as the situation requires, as a case filed under this Statute or a decision given for a lawsuit filed under this Statute.

CHAPTER XIII

INTERPRETATIONS

65. In this Statute, unless the context otherwise requires-

Interpretations

“Specified date” means the date of enforcement of this Statute.

“Commissioner of Revenue” means the Western Provincial Commissioner of Revenue appointed to execute the functions of this Statute.

“Foreign Company” means any company or board of individuals incorporated outside Sri Lanka and is any company or board of individuals that-

(a) Establish a business place within Sri Lanka after specified date.

(b) Establish a business place within Sri Lanka before specified date and continuously maintain a business place in Sri Lanka.

“Pawnbroker” means a person who, not being a registered bank, is conducting a pawning business on certain conditions with a stated of implied consent or acknowledgement that articles will be released later or purchased back, or otherwise under a consent or acknowledgement reasonably implying such consent or acknowledgement according to nature and characteristics of the transaction under which articles are retained as security for advance money to be paid for sale or purchase of such articles; and maintains a business place for that purpose where articles are purchased or retained for payment of certain amount of money or advances or lending money on behalf of such articles.

“Pawner” means a person who hands over an article for the purpose of pawning to a person engaged in the pawning business;

“Sri Lankan Citizen” means a person who is a Citizen of Sri Lanka according to a certain law enforced contemporarily in relation to citizenship.

“District” means the Administrative district

“Foreign Firm” means a firm :-

(i) Consisting of two partners, one of whom is not a citizen of Sri Lanka or both of whom are not Sri Lankans; or

(ii) Consisting of more than two partners at least one of whom is not a citizen of Sri Lanka.

“Month” means a period of 30 days for the purpose of charging profits and interest.

“Calendar Year” means the period commencing from the 1st of January and ending on 31st December of every year.

“Financial Year” means the period commencing from April 01st of every year and ends in 31st of March of the following year.

“Person” means a single person or board of persons, where such board of persons constitutes a corporation, all the directors and officers of the said corporation and where such board of persons constitute a business institution, all the partners of the said business institution or where it being a non-business institution and non-incorporated company the management and all the officers of the said company who are responsible for its management and administration.

“Pledge” means an article pawned with a pawn broker.

“Instrument” means a document signed between other persons in relation to conveyance of pawning business.

“Minister” means the Minister in charge of the subject of Finance in the Western Province Provincial Council.

“Provincial Council” means the Provincial Council of the Western Province.

“Chief Secretary” means the Chief Secretary of the Western Provincial Council.

“Provincial Council Fund” means the Provincial Council Fund of the Western Province Provincial Council established under Section 19 of the Provincial Councils Act, No. 42 of 1987.

“Business Place” means a house, store house, company, joint business, partnership business, and place where business activities are carried out and any of the places where such branches are maintained.

“Unfinished Goods or Materials” includes any goods of any manufacture, either mixed or separate or any materials, whatsoever, intended for composing or manufacture of any goods after such goods or materials are put into state of manufacture, and before the same are completed or finished for the purpose of wearing or consumption.

“Arrears” includes the portion not being set off from the amount of money recoverable or payable under this statute.

“Defaulter” means a person who prevents from accomplishing the functions specified by this statute and/or a person accomplishing function that has been prohibited by this statute.

“Executor” means an executor of a deceased person or an administrator and includes -

- (a) A person who is in custody of a deceased person’s property or who makes use of such property;
- (b) A person who has made submission to District Court to issue or to re-stamp a probate certificate or administrator certificate in respect of the estate of a deceased person or a person entitled to make a submission to District Court thereof; or
- (c) Trustee who acts upon a trusteeship of a last will of the person who established the trust;
- (d) A person whose name is included in the instruments consisting bonds, presented under Section 46(1) of this Statute.

“Authorized Agent” means for the purpose of this Statute a person authorized in writing to act on his behalf and an individual who is -

- (a) A relation of his in respect of an individual ;
- (b) A partner in respect of partnership business ;
- (c) A director or secretary in respect of company ;

(d) A member of a board of individuals in respect of a board of individuals;

(e) a member of the Sri Lanka Chartered Accountants Institute;

(f) An Attorney at law.

“A person of physical and mental disability” means an under-aged person, a person suffering from lunacy, mental retardation or madness.

“Registered Bank” means a licensed special Bank as interpreted in the Banking Act, No. 30 of 1988.

“Chief Partner” means, from among the active partners residing in Sri Lanka-

(a) the partner named first in the partnership business agreement;

(b) in the absence of such agreement, the partner who stands alone by general name in the partnership business or stands foremost to other partners by name or initials; or

(c) the partner named first in the statement made under Section 04 of the Business Names Act, No. 07 of 1987.

“Caretaker” includes a custodian, guardian, guardian of property, manager or other person bearing organization, control or management of certain property on behalf of certain person.

66. In the event of any inconsistency in the Sinhala, Tamil and English text of this Statute, the Sinhala text shall prevail.

Sinhala text to prevail in case of inconsistency

(Section 04)

FIRST SCHEDULE

Form - “A”

LICENSE

Number :

I,the
Commissioner of Revenue of Western Province according to Section 04 of the Pawnbrokers’ Statute No.....of
2015 and as per powers assigned to me by the aforesaid Statute do hereby authorize Mr./Mrs./Ms.....

.....Company residing/located at
.....to carry on the
business of pawning under the name ofat

.....
According to the provisions of the Pawnbrokers’ Statute of the Western Provincial Council, No.....of
2015 and issue the license to that effect.

The period of validity of this license terminates on 31.12.....

.....
Commissioner of Revenue/on behalf of

Date :

(Section 17)

Form - “B”

PLEDGE BOOK

Pledge Book ofPawnbroker of

No. of date of issue of the pawn tickets	No. of pledge in the month	Amount of Loan upon each article	Profit or Interest charged upon each article	Name of pawner	Address of pawner	Description of each article pawned	Weight of article and Carat amount, if jewellery	Value of each article pawned	Date of redemption	Name and address of person redeeming
		Rs. Cts.	Rs. Cts.					Rs. Cts.		

(Section 17)

Form - “C”

SALE BOOK OF PLEDGES

Date and place of sale :
.....

Name and address of Auctioneer :
.....

No. of pledge as in Pledge Book	Date of Pawning	Name of Pawner	Amount of Loan	Outstanding Interest Amount	Amount for which each pledge was sold by Auctioneer	Name and address of purchase
			Rs. Cts.	Rs. Cts.	Rs. Cts.	

Form - "D"**PAWN TICKET**

Licence No.

No :

Date :

.....(Name of Pawner),

the undersigned residing at

..... (Address of Pawner)

and bearing the National Identity Card No./Passport No. of

has pawned with the undersigned

..... (Name of Pawnbroker) residing at

.....(Address of Pawnbroker) on

behalf of(Name of

Pawnbroker of his Representative),.....(Nature of pledge) weighing

..... and valued Rs.....as per current market value and obtained

Rs Under an annual interest of% on this day.

.....
Signature of Pawnbroker or his Servant
or Representative

.....
Name of Pawnbroker

.....
National Identity Card No.

(to be signed by Pawner at the time of redeeming pledge)

The aforementioned pledge was redeemed by me after paying the total amount and interest relevant to it.

.....
Signature of pawner.

Date :

(Section 28)

Form - “E”

RECEIPT

Licence No.

On behalf of the loan amount of Rs. lent on pledge
No.....received a total sum of Rs.including the interest
of Rs.....calculated on the said loan amount from/...../20..... to/...../20.....,
and Rs..... as the tax amount.

Signature

.....

Name

.....

Name and Address
of the Institution

.....

(Stamp)

Date :.....

(Section 15(2), 18(2) and 19)

SECOND SCHEDULE

Rate of Interest

The rate of interest on every rupee or a fraction of a rupee lent shall be two cents for every month or part thereof.

Payment of Tax

Where a tax under any written law is payable by the Pawnbroker on a loan granted upon a pledge, such tax may be recovered from the pawner.

Restricting recovery of entranced interest

On behalf of a loan lent on a pledge, the rate of interest agreed upon by the pawnbroker at the date of pledge shall be valid for 24 months from the date of such pledge. Eventhough any increase in interest rate is experienced within the said 24 months' time, such increase is not applicable to the said transaction.

If the pledge relating to the pawn ticket is not redeemed within a period of twenty four months from the day of pawning, it is liable to be sold by Public Auction.

If there be any surplus profit realized at the sale, such profit amount shall be paid to the pawner by the pawnbroker.

THIRD SCHEDULE

Regulations relating to Auction of Pledges

1. All the pledges put on auction, shall be disclosed by the auctioneer at least prior to 2 hours from the commencement of the said auction so as to enable the public to view such.
2. A name list starting the following facts about the pledges shall be published by the auctioneer.
 - a) Name and place of business of the pawnbroker;
 - b) Month in which the said pledge was auctioned;
 - c) No. of each pledge, according to how it was entered in the pledge book at the time of auctioning of such pledge.
3. The relevant auction shall take place and business premises of pawn broker.
4. The notice pertaining to the auction shall at least be published at one time in three types of newspapers published in Sinhala, Tamil and English languages and in addition, shall be displayed at public places by means of notices throughout the area where the auction will be held. Furthermore, the said notices shall comprise the following stated matters.
 - a) Name and place of business of the pawnbroker;
 - b) Date, time and venue of relevant auction;
 - c) The pledges not redeemed within which time period are included in that auction.
5. The notice stated in above No.4 shall be published on a Sunday preceding 07 days to the date specified for holding of such auction and/or from such Sunday onwards.
6. If the pawnbroker bids at an auction, the auctioneer shall not act in any way favourable to the said pawnbroker.
7. Within 14 days of such auction, a copy of the pledge list sold at that auction or the part of the list relevant to the said pawnbroker's pledges or a document stating the number of pledges and amount of money redeemed after selling pledges of the said pawnbroker and having certified it as accurate by placing the auctioneer's signature, it shall be handed over to the pawnbroker by the auctioneer.
8. The pawnbroker shall keep safe every such name list at least for two year time period subsequent to such auction.