



PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

HOUSING DEVELOPMENT FINANCE CORPORATION OF SRI LANKA (AMENDMENT) ACT, No. 15 OF 2003

[Certified on 31st March, 2003]

Printed on the Order of Government

Published as a Supplement to Part II of the **Gazette of the Democratic Socialist
Republic of Sri Lanka** of April 04, 2003

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA

TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 1

Price : Rs. 6.75

Postage : Rs. 4.50

*Housing Development Finance Corporation of
Sri Lanka (Amendment) Act, No. 15 of 2003*

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L.D.—O. 50/2001.

AN ACT TO AMEND THE HOUSING DEVELOPMENT FINANCE
CORPORATION OF SRI LANKA ACT, NO. 7 OF 1997

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

1. This Act may be cited as the Housing Development Finance Corporation of Sri Lanka (Amendment) Act, No. 15 of 2003.

Short title.

2. Section 2 of the Housing Development Finance Corporation of Sri Lanka Act, No. 7 of 1997 (hereinafter referred to as the “principal enactment”) is hereby amended in subsection (1) of that section by the substitution for the words “Housing Development Finance Corporation of Sri Lanka (hereinafter referred to as “the Corporation”) of the words “Housing Development Finance Corporation Bank of Sri Lanka” (hereinafter referred to as the “HDFC Bank of Sri Lanka”).

Amendment of
section 2 of Act
No. 7 of 1997.

3. (1) In the principal enactment (other than in the long title) and in any other written law, there shall be substituted for the words “Housing Development Finance Corporation of Sri Lanka” and “Corporation” (denoting the “Housing Development Finance Corporation”), of the words “Housing Development Finance Corporation Bank” and “HDFC Bank” respectively.

“Housing
Development
Finance
Corporation of
Sri Lanka” and
“Corporation” to
be referred to as
the “Housing
Development
Finance
Corporation
Bank” and
“HDFC Bank”
respectively.

(2) Every reference to the “Housing Development Finance Corporation of Sri Lanka” in any notice, notification, contract, communication, from another document shall be read and construed as a reference to the Housing Development Finance Corporation Bank.

4. Section 3 of the principal enactment is hereby amended in paragraph (d) of subsection (1) of that section, by the substitution for the words “four directors”, of the words “five directors”.

Amendment of
section 3 of the
principal
enactment.

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Sri Lanka (Amendment) Act, No. 15 of 2003*

Amendment of
section 12 of the
principal
enactment.

5. Section 12 of the principal enactment is hereby amended by the repeal of paragraph (a) of that section and the substitution of the following paragraph :—

“(a) to grant any loan, credit facility or any type of accommodation to any individual, company, partnership, any institute or to Housing Finance Corporation for housing purposes, for the redemption of residential property in accordance with the directions issued by the Monetary Board under section 76J of the Banking Act, No. 30 of 1988.

Amendment of
section 13 of the
principal
enactment.

6. Section 13 of the principal enactment is hereby amended by the repeal of paragraphs (a) and (l) of that section and the substitution of the following paragraphs therefor :—

“(a) to grant loans or financial assistance to any individual, company, partnership, any institute of the Housing Finance Corporation for housing purposes.

(l) to borrow and raise money on such terms and conditions as may be determined by the Monetary Board or on any direction given by the Monetary Board.”.

Amendment of
section 14 of the
principal
enactment.

7. Section 14 of the principal enactment is hereby amended by the repeal of subsection (2) of that section and the substitution thereof of the following subsection :—

“(2) The General Manager shall be a full time officer of the HDFC Bank of Sri Lanka. He shall be the chief executive officer of the HDFC Bank of Sri Lanka and shall be accountable and answerable to the Chairman and the Board of Directors.”.

Amendment of
section 15 of the
principal
enactment.

8. Section 15 of the principal enactment is hereby amended by the repeal of subsection (2) of that section and the substitution of the following subsection therefor :—

“(2) The Board may, from time to time fix and vary the salaries and allowances of such officers and servants of the Bank, taking into consideration the salaries and allowances payable to employees of state owned banking institutions engaged in similar objectives and operations.”.

9. Section 17 of the principal enactment is hereby amended by the repeal of subsections (5) and (6) of that section and the substitution of the following subsection therefor :—

Amendment of section 17 of the principal enactment.

“(5) The Bank shall allot any share or register any share in accordance with the directions of the Monetary Board of the Central Bank of Sri Lanka issued from time to time under section 76J of the Banking Act, No. 30 of 1988 as amended by Act, No. 33 of 1995.”.

10. Section 22 of the principal enactment is hereby amended as follows :—

Amendment of section 22 of the principal enactment.

- (1) in subsection (1) of that section by the substitution for the words “stock, and the debentures and stocks so created and issued shall in this Act be referred to as Housing Development Finance Corporation Debentures and Housing Development Finance Corporation stock respectively” of the words “Securities, and the debentures and securities so created and issued shall in this Act be referred to as Housing Development Finance Corporation (Bank) Debentures and Housing Development Finance Corporation (Bank) Securities respectively.
- (2) in subsection (2) of that section by the substitution for the words “Housing Development Finance Corporation Debentures and Housing Development Finance Corporation Stock” of the words “Housing Development Finance Corporation (Bank) debentures and Housing Development Finance Corporation (Bank) Securities.

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Sri Lanka (Amendment) Act, No. 15 of 2003*

Amendment of
section 23 of the
principal
enactment.

11. Section 23 of the principal enactment is hereby amended by the substitution for the words “and any Housing Development Finance Corporation Stock” of the words “and any Housing Development Finance Corporation (Bank) Securities”.

Repeal of section
33.

12. Section 33 of the principal enactment is hereby repealed.

Insertion of
section 38A in the
principal
enactment.

13. The following section is hereby inserted immediately after section 38 and shall have effect as section 38A of the principal enactment :—

“Directions
issued by the
Monetary
Board of the
Central Bank
of Sri Lanka.

38A. Directions issued from time to time by the Monetary Board under section 76J of the Banking Act, No. 30 of 1988 shall apply to the HDFC Bank of Sri Lanka in regard to any matter for which no provision has been made in this Act or any regulation made thereunder.”.

Amendment of
section 40 of the
principal
enactment.

14. Section 40 of the principal enactment is hereby amended by the insertion immediately after paragraph (b) of that section, of the following paragraph :—

“(c) Every action or proceeding instituted by Housing Development Finance Corporation of Sri Lanka Limited under Part IX, (Chapter 401) of the National Housing Act, No. 37 of 1954 and pending on the day preceeding the date on which the Housing Development Finance Corporation of Sri Lanka Limited is deemed to have been dissolved, shall, with effect from that day be deemed to be an action on proceeding instituted by the Corporation and every such action on proceeding may be proceeded with to completion and enforced according to the provisions of Recovery of Loans by Banks (Special Provision) Act, No. 4 of 1990.

15. Section 44 of the principal enactment is hereby amended as follows :—

Amendment of section 44 of the principal enactment.

- (a) by the insertion immediately before the definition of the expression “Chairman”, of the following definition :—

“accommodation” means any loan or overdraft or advance or any commitment to grant any loan or overdraft or advance, including a commitment to accept a contingent liability ;

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

“Monetary Board” means the Monetary Board of the Central Bank of Sri Lanka established under the Monetary Law Act, (Chapter 422).

16. (1) All contracts, agreements and other instruments of the Housing Development Finance Corporation of Sri Lanka, 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 HDFC Bank of Sri Lanka.

Savings.

(2) All suits, actions and other legal proceedings instituted by the Housing Development Finance Corporation of Sri Lanka and pending on that 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 HDFC Bank of Sri Lanka.

(3) All the rights, liabilities and obligations of the Housing Development Finance Corporation of Sri Lanka 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 HDFC Bank of Sri Lanka.

(4) Every decree, order or judgement entered in favour of or against the Housing Development Finance Corporation of Sri Lanka 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 judgement entered in favour of or against the HDFC Bank of Sri Lanka.

Amendment of
Schedule III of
the Banking Act,
No. 30 of 1988.

17. Schedule III of the Banking Act, No. 30 of 1988 is hereby amended by the addition at the end of that Schedule of the following new item :—

“(5) Housing Development Finance Corporation (Bank) of Sri Lanka established by the Housing Development Finance Corporation of Sri Lanka Act, No. 7 of 1997.”.

Amendment of
section 47A of
Chapter 89.

18. Section 47A of the Mortgage Act, is hereby amended in subsection 7 of that section by the insertion immediately after paragraph (c) thereof of the following new paragraph :—

“(cc) the Housing Development Finance Corporation (Bank) of Sri Lanka established by the Housing Development Finance Corporation of Sri Lanka Act, No. 7 of 1997;”.

Sinhala text to
prevail in case of
inconsistency.

19. In the event of any inconsistency between the Sinhala and Tamil texts of this Act the Sinhala text shall prevail.

Annual subscription of English Bills and Acts of the Parliament Rs. 885 (Local), Rs. 1,180(Foreign), payable to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, No. 32, TRANSWORKS HOUSE, LOTUS ROAD, COLOMBO 01 before 15th December each year in respect of the year following.