

PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

SMALL CLAIMS COURTS' PROCEDURE

A

BILL

to provide for the procedure to be followed in Small Claims Courts; and to provide for the matters connected therewith or incidental thereto

Presented by the Minister of Justice, Prison Affairs and Constitutional Reforms on 31st of August, 2022

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Small Claims Courts' Procedure

L.D. - O. 44/2021

AN ACT TO PROVIDE FOR THE PROCEDURE TO BE FOLLOWED IN SMALL CLAIMS COURTS; AND TO PROVIDE FOR THE MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO

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

1. (1) This Act may be cited as the Small Claims Courts' Short title Procedure Act, No. of 2022.

and date of operation

5 (2) The provisions of this Act shall come into operation on such date as the Minister may appoint by Order published in the Gazette.

PARTI

ACTIONS

10 2. Subject to the provisions of section 3 of this Act and Institution of Chapter VA of the Judicature Act, and any pecuniary or other actions limitations imposed by any written law, an action for a small claim shall be instituted in the Small Claims Court within the local limits of the judicial division in accordance with 15 the provisions of Chapter III of the Civil Procedure Code:

Provided however, a Small Claims Court shall not have jurisdiction to hear and determine any action filed under the provisions of Chapter LIII of the Civil Procedure Code or 20 any other written law with special provisions to hear matters for the recovery of money, even if the value of the cause of action is less than the sum specified or such other amount as may be fixed by the Minister from time to time in terms of subsection (2) of section 29A of the Judicature Act.

3. A cause of action in a Small Claims Court shall be Cause of limited to the provisions of Chapter VA of the Judicature Act action in a for the sum specified or such other amount as may be fixed Small Claims by the Minister from time to time in terms of subsection (2) 5 of section 29A of the Judicature Act:

Provided however, the plaintiff may join two or more causes of actions arising out of the same act or transaction between the same parties, where the value of each cause of action does not exceed such sum.

10 4. A plaintiff shall have the right to abandon or Abandonment relinquish a part of the claim or claims in order to invoke the of portions jurisdiction of a Small Claims Court and shall include an of the claim averment to the said effect in the plaint.

In every case where an action has been instituted in where a 15 a District Court or a Small Claims Court not having plaint is jurisdiction in terms of Chapter VA of the Judicature Act, the presented to provisions of section 47 of the Civil Procedure Code shall apply. In the event the plaint is returned in terms of section 47 of the Civil Procedure Code, notwithstanding anything 20 to the contrary in any other written law, the period between the date of the institution of the action and the date of return of the plaint shall be excluded in computing the period of prescription.

PART II

25 PLEADINGS AND SUMMONS

- 6. The pleadings in a Small Claims Court shall be limited Pleadings to the following:-
 - (a) the plaint;
 - (b) the answer; and
- (c) the replication: 30

Provided however, that where there is no claim in reconvention, there shall be no further pleadings beyond the answer.

7. (1) Every action shall be instituted in the Small Claims Filing of Court by the plaintiff or his registered attorney on his behalf, presenting or transmitting to the Small Claims Court by a duly stamped written plaint in the Form No. 1 set out in the Schedule hereto, with the appropriate Small Claims Court which has jurisdiction to hear and determine the action.

- 10 (2) The plaint shall contain the particulars required to be stated by the provisions of section 40 of the Civil Procedure Code and the provisions of section 46 of the Civil Procedure Code shall apply to such plaint filed in the Small Claims Court.
- 15 8. The plaintiff shall, on presenting the plaint, file an Affidavit and affidavit or affidavits in support of the facts stated therein exhibits to be attached to a and produce the instrument, contract, agreement, bill of plaint exchange, promissory note, cheque or document sued upon and all other documentary evidence relied upon by him, if 20 any, in his possession, or power in support of the facts on which the plaint is based.

9. (1) Before the plaint is accepted, the Small Claims Issue and Court may, in its discretion, refuse to entertain the same for any reason and return the same for amendment or reject the 25 plaint, as set out in section 46 of the Civil Procedure Code, in so far as they are not inconsistent with the provisions of this Act.

(2) Upon such plaint being accepted, the Small Claims Court shall issue summons in the Form No. 2 set out in the 30 Schedule hereto.

- (3) The provisions of Chapter VIII of the Civil Procedure Code shall apply to the issue, service, return and proof of service of the summons or process of the Small Claims Court, insofar as they are not inconsistent with the provisions of this Part.
- 5 10. When the defendant appears on the summons Judgment returnable day, the Judge shall ask the defendant whether he against the intends to admit the plaint with or without terms and, if the defendant, if he admits the defendant admits the claim of the plaintiff, the Small Claims claim of the Court shall record that fact and enter judgement against the plaintiff 10 defendant according to the admission so made. Such admission shall be in writing, signed by the defendant and his signature attested by an attorney-at-law.

11. (1) If the defendant does not admit the plaintiff's Answer and claim, he shall, himself, or his registered attorney on his requisites of 15 behalf, deliver to the Small Claims Court a duly stamped written answer signed by the defendant or his attorney-atlaw setting out his defence and any claim in reconvention which may have against the plaintiff.

- (2) The answer shall contain the particulars required to 20 be stated under the provisions of section 75 of the Civil Procedure Code and the provisions of sections 76 to 78 of the Civil Procedure Code shall apply to such answer and shall be in the Form No. 3 set out in the Schedule hereto.
- (3) The answer shall be filed within one month from the 25 date of the appearance made by the defendant either in person or by an attorney-at-law and no further time shall be granted by the Small Claims Court to the filing of answer, unless in appropriate circumstances, the Small Claims Court may grant time to file answer in the Registry with notice to the plaintiff 30 or each of the plaintiffs.
 - 12. The defendant shall, on presenting the answer, file Affidavit and an affidavit or affidavits in support of the answer or the facts exhibits to be stated in the claim in reconvention and produce all attached to the answer

documents or all other documentary evidence relied upon by him, if any, in his possession or power in support of the defence or facts on which the claim in reconvention is based.

- 13. (1) When there is a claim in reconvention, a Replication replication may be permitted to be filed in the Registry together with an affidavit or affidavits and documents, if any, and the rules relating to a written answer shall apply to a replication by the plaintiff.
- (2) If the plaintiff admits the claim in reconvention, the 10 Small Claims Court shall record such admission on record and require the plaintiff to sign the same. The Small Claims Court may enter judgment against the plaintiff in respect of such claim in reconvention according to the admission so made. Such admission shall be in writing, signed by the 15 plaintiff and his signature attested by an attorney-at-law.
- 14. Where the claim in reconvention exceeds the Where the monetary jurisdiction of the Small Claims Court, the Small claim in Claims Court may, notwithstanding the sum of claim stated reconvent is beyond therein is in excess of the monetary jurisdiction of the Small monetary 20 Claims Court, hear such claim in reconvention and enter jurisdiction decree according to law, to avoid multiplicity of actions.

reconvention of the Small Claims Court

15. All affidavits and the documents which have been Service of annexed with the answer and the replication shall be served on the opposing party or parties along with the answer or the 25 replication. The Small Claims Court may in its discretion affidavits and impose costs on the defaulting party.

answer and replication together with documents

16. No application for the amendment of any pleadings Amendment shall be allowed unless the Court is satisfied, for reasons to be recorded by the Court, that grave and irremediable 30 injustice will be caused if such amendment is not permitted, and on no other ground, and that the party so applying has not been guilty of laches:

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Provided that, the Court may at any time, on an application being made by any party, correct any clerical or arithmetical mistakes in the pleadings.

PARTIII

DOCUMENTARY EVIDENCE

- **17.** (1) Any party to the action may make an application where a on or before the date fixed for settlement in terms of party to the section 22 with notice to all other parties to—
 - (a) issue commissions;
- 10 (b) call for reports from persons having special and copies and independent knowledge of facts;
 - (c) make order for the discovery, production, inspection or admittance of the genuineness of documents by any party thereto of the documents in his possession or power;
 - (d) make order for the issuance of certified copies of any documents in the custody of any public officer, public corporation, Provincial Council, any local authority, bank, board, body corporate or unincorporate, partnership, hospital, medical institute, court, tribunal or any such similar institution; or
- (e) make such other appropriate orders in respect of the discovery of documents in the possession of any third party as he may think fit or desirable on any matter where the parties are at variance.
- (2) The party who has obtained an order under subsection
 (1) shall take steps within two weeks from the date of such order and in the event such party fails to take such steps, the
 30 Small Claims Court may, notwithstanding such default and subject to any costs, continue further proceedings.

Where a party to the action requests for commissions, reports, certified copies and discovery of documents

- 18. (1) Subject to the provisions of section 17, the Discovery, provisions of Chapters XVI and XXIX of the Civil Procedure production, Code shall apply to the discovery, production, inspection, protection or admittance of the genuineness of any document. admittance of
 - protection or

of documents

(2) The provisions of Chapter XXIX of the Civil Procedure genuineness Code shall apply to commissions issued by the Small Claims Court, so far as they are not inconsistent with the provisions of this Act.

- 19. The provisions of sections 94 to 100 (both inclusive) Interrogatories 10 of the Civil Procedure Code, shall not apply to the proceedings in the Small Claims Court.
- 20. The Small Claims Court, on its own motion or at the Documents request of any party, may permit the documents discovered discovered during the proceedings on matters where the parties are at during the 15 variance, but not annexed to the plaint or the answer or the replication, to be produced with an affidavit.

produced together with affidavit

21. (1) The Small Claims Court shall forthwith on the Settlements filing of the answer or replication, if any, fix a date for the settlement within a period of four weeks from the date of the 20 completion of pleadings and it shall be the duty of the Small Claims Court, before the case is fixed for trial, to persuade the parties to arrive at a settlement of the dispute, and record such settlement if any and enter judgement and decree accordingly. If a party fails to be present in person on the 25 date fixed for settlement without sufficient cause, the Small Claims Court may order costs against such defaulting party or parties, unless the parties enter into a settlement on the same day.

(2) Where the Small Claims Court is of the opinion in any 30 appropriate case, with the consent of the parties the final judgement could be pronounced solely on the pleadings, affidavits and documents annexed by the parties without oral evidence and upon hearing all the parties by way of submissions, the Small Claims Court shall pronounce the judgement and enter decree accordingly. If not, the Small Claims Court may fix the case for trial.

22. (1) If the case cannot be settled between the parties, If no 5 the Small Claims Court shall fix the matter for trial and the settlement, provisions of the Civil Procedure Code shall apply to such fixed for trial trial in so far as they are not inconsistent with the provisions of this Act.

case to be

(2) The provisions of Chapter XVIIA of the Civil 10 Procedure Code in respect of pre-trial shall not apply to the proceedings of the Small Claims Court.

PARTIV

Trial

- 23. (1) On the date of the trial, the Small Claims Court Trial 15 shall record admissions between the parties. However, for the purposes of these proceedings, it is not imperative to record issues of parties and the Small Claims Court may proceed to hear and determine the dispute in accordance with the provisions of this Act:
- Provided that, in the event the Small Claims Court is of 20 the opinion that issues shall be recorded in view of special matters involved, the Small Claims Court may on its own motion proceed to record the said issues arising out of the pleadings, affidavits and documents, if any, and proceed to 25 hear the action.
 - (2) The affidavits filed by the parties with the pleadings and additional affidavits filed with the permission of the Small Claims Court, shall be considered as the evidence in chief of the respective party or parties. However, the Small

Claims Court may permit the parties to lead additional evidence, whether oral or documentary, if it deems necessary to obtain such evidence to enable it to pronounce a judgement only where-

(a) any additional evidence is relevant to the 5 determination of the matters in dispute:

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- (b) any additional evidence could not have been obtained and adduced along with pleadings at the first instance with reasonable diligence and best efforts and non- production is beyond the control of such party;
- (c) if any additional evidence to be led is documentary, it is necessary to prove a document of which the genuineness is impeached by the opposing party;
- (d) in the event the evidence of official witness or any other witness who is unable to testify by way of an affidavit is required to be led, the parties shall takeout summons on the said witness according to the provisions of this Act.
- 24. (1) The Small Claims Court, on an application made Small Claims by any party to the action may permit to call any other Court may witness or witnesses not referred in the pleadings or to summon any produce the documents not annexed to the pleadings in the require the 25 interest of justice. Further the Small Claims Court may permit production the parties to lead further evidence on documents discovered of any or elicited by way of commissions where it deems necessary. document
- (2) The provisions of sections 121 and 175 of the Civil variance Procedure Code shall not apply to the proceedings of the 30 Small Claims Court.
 - (3) Notwithstanding any provision in the Evidence Ordinance (Chapter 14), the provisions of subsections (1),

where the parties are at

- (2), (3) and (4) of section 151A of the Civil Procedure Code shall, mutatis mutandis, apply to examination of a witness on an affidavit, cross examination, re-examination and admissibility and authenticity of any document annexed to such other affidavit in so far as they are not inconsistent with the provisions of this Act.
- 25. (1) It shall not be necessary to adduce proof of any Proof of document tendered to a Small Claims Court or discovered documents under the provisions of this Act, unless the genuineness of unless it is 10 such document is impeached by the opposing party with impeached valid reasons stated therefor according to law.

- (2) In the event that the Small Claims Court, after evidence is led as to the proof of the document, accepts the document, the party who impeached the document shall be liable to 15 pay incurred costs of proving such document, in addition to taxed costs.
- 26. The provisions of Chapter XX of the Civil Procedure Judgement Code shall, insofar as they are not inconsistent with the and decree provisions of this Act, apply to and in relation to the 20 pronouncement of judgement or decree of the Small Claims Court.

27. All proceedings in a Small Claims Court shall be Expeditious concluded as expeditiously as possible in accordance with disposal of such law as may be applicable thereto, and a Small Claims 25 Court shall make every effort to conclude the proceedings within eighteen months from the commencement of such proceedings, unless the Judge is prevented from acting accordingly for reasons to be recorded by him.

proceedings

28. The provisions contained in Chapter XII of the Civil Default of 30 Procedure Code, except in relation to any appeal made parties against any order made on defaults, shall apply in respect of the consequences and cure of default of the parties.

PART V

APPEALS

29. (1) Any person aggrieved by a judgement of the Appeal and Small Claims Court in any action, proceeding or matter to stay of which he is a party, may prefer an appeal to the High Court execution for the Province established under Article 154p of the appeal Constitution against such judgement for any error in fact or in law.

- (2) Any person aggrieved by an order including the order 10 setting aside or refusing to set aside the judgement entered upon default made by any Small Claims Court in the course of any action, proceeding, or matter to which he is or seeks to be a party, may prefer an appeal to the High Court for the Province established under Article 154P of the Constitution 15 against such order for the correction of any error in fact or in law, with the leave first had and obtained from such High Court.
- (3) The provisions of Chapters LVIII, LIX, LX and LXI of the Civil Procedure Code with reference to appeals, shall, so 20 far as they are not inconsistent with the provisions of this Act apply to appeals from Small Claims Court.
- (4) Any application for leave to appeal or final appeal under this Act shall be heard and concluded within a period of twelve months from the preference of such application or 25 appeal, unless the judge is prevented from acting accordingly and reasons to be recorded by him.

PART VI

GENERAL PROVISIONS

30. The provisions of the Evidence Ordinance Evidence 30 (Chapter 14) shall apply to proceedings before the Small Ordinance to Claims Court.

apply to proceedings

31. (1) If any matter should arise for which no provision *Casus* is made in this Act, the provisions of the Civil Procedure omissus Code governing a like matter shall, with such suitable adaptations as the justice of the case may require, be adopted and applied, if such provisions are not inconsistent with the provisions of this Act.

- (2) No proceedings in the Small Claims Court shall be invalidated on account of any technicalities in procedure or formal defect or irregularity in the pleadings, affidavits or forms, and the Judge of Small Claims Court, in his discretion and in the interest of justice, shall ensure that such technicalities will not impede the administration of justice, unless a substantial prejudice has been caused or occasioned a failure of justice by such defects or irregularities to the 15 parties.
 - 32. A special roll shall be kept for cases instituted under A special roll the provisions of this Act, where the District Judge functions as the Judge of the Small Claims Court under this Act.
- 33. All proceedings pending in the District Court of Transitional 20 any judicial district, but before the commencement of the Provisions pre-trial on the day preceding the date of operation of this Act, in respect of any matter within the jurisdiction of a Small Claims Court, shall on the date of operation of this Act stand removed to the appropriate Small Claims Court 25 and such Small Claims Court shall have jurisdiction to take cognizance of, hear and determine or to continue or complete the same in accordance with the procedure in which the action was instituted in such District Court and all orders made, in respect of every such action before such District 30 Court shall have the same force and effect as if they have been made by that Small Claims Court.

34. In this Act, unless the context otherwise requires- Interpretation

"Civil Procedure Code" means the Civil Procedure Code (Chapter 101);

- "Judicature Act" means the Judicature Act, No. 2 of 1978;
- "Minister" means the Minister to whom the subject of Justice is assigned under Article 44 or 45 of the Constitution; and

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"small claim" means a debt, damage or demand referred to in the Seventh Schedule of the Judicature Act, which does not exceed the sum specified or such other amount as may be fixed by the Minister from time to time in terms of subsection (2) of section 29A of the Judicature Act.

35. In the event of any inconsistency between the Sinhala text Sinhala and Tamil texts of this Act, the Sinhala text shall to prevail in case of inconsistency

| SCHEDULE | | Inaction 9(1)1 | |
|--|---|----------------------|--|
| | Form No. 1 | [section 8(1)] | |
| | PLAINT | | |
| IN THE | SMALL CLAIMS COURT C |)F | |
| Case No.: Date of Plaint: Nature of claim | : | | |
| | Plaintiff's (s') Name (s):- Address (es):- Telephone No.:- E mail (if any):Vs- Defendant's (s') name (s):- Address (es):- Telephone No.:- E mail (if known):- | | |
| by attor | ne above-named plaintiff (or rney-at-law states as follows: |) - | |
| Brief statement action, including w | of the circumstances consti here, how and when it arose | tuting each cause of | |
| | | | |
| 1 | | | |
| 2 | | | |
| Value of the claim (without interest): | | | |
| Interest (if claimed): | | | |
| Value of the whole claim: | | | |
| (In case the whole claim exceeds the amount specified by the Minister in the Order published in the <i>Gazette</i> (which is presently Rs (without interest), the plaintiff may indicate in the plaint that he restricts the whole claim to (without interest) in order to bring the action within the jurisdiction of the Small Claims Court) | | | |
| Demand | | | |
| | | | |
| | Signature of plaintiff/ | • | |
| Signa | ture of the (Plaintiff/ Plainti | | |

Form No. 2

[section 10(2)]

Form of summons for the service of Summons in an Action on Special Procedure for Small Claims Courts

To the above-named defendant (or defendants)

You are further required, if you do not appear by a registered attorney, to file a memorandum stating an address at which all legal notices may be served.

Attached herewith are:

| copy of the plaint:- |
|-------------------------------------|
| copy of the affidavit/ affidavits:- |
| opies of the following documents:- |
| |
| |
| |
| By order of the Small Claims Court |
| (Signed) Registrar |
| The day of20 |

Form No. 3

[section 12(2)]

| ANSWER | | |
|--|--|--|
| IN THE | SMALL CLAIMS COURT OF | |
| Case No.: Date of Plaint: Nature of clain | n: | |
| | Plaintiff's (s') Name (s):- Address (es):- Telephone No.:- E mail (if any):Vs- | |
| | Defendant's (s') name (s):- Address (es):- Telephone No.:- E mail (if known):- | |
| | the above-named defendant (or defendants) and attorney-at-law states as follows: - | |
| Brief statement admitting or denying the several averments of the plaint and setting out in detail plainly and concisely the matters of fact and law, and the circumstances of the case upon which the defendant means to rely for his defence:- | | |
| 1 | | |
| 2 | | |
| the jurisdiction o | at sets up a claim in reconvention which is within f the Small Claims Court, a plain and concise cts constituting the ground of such claim which the n reconvention: | |
| 1 | | |
| 2 | | |

If the defendant has relinquished a portion of his counterclaim in order to bring the claim within the jurisdiction of the Small Claims Court, a statement indicating the amount so relinquished and restricted the counterclaim to the amount specified in the Order made by the Minister and published in the *Gazette* (without interest).

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Small Claims Courts' Procedure

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