

PART IV

PART IV

MAJOR LEGISLATIVE ENACTMENTS OF 2022 RELATING TO THE FUNCTIONS AND OPERATIONS OF THE CENTRAL BANK AND BANKING INSTITUTIONS IN SRI LANKA^(a)

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(a) In the event of any inconsistency between the text published in the Central Bank Annual Report and the text printed by the Department of Government Printing, the text of the latter shall prevail.

PROVINCIAL COUNCILS
(TRANSFER OF STAMP DUTY) (AMENDMENT) ACT, NO. 6 OF 2022
 [Certified on 17th of February, 2022]

AN ACT TO AMEND THE PROVINCIAL COUNCILS
(TRANSFER OF STAMP DUTY) ACT, NO. 13 OF 2011

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

1. This Act may be cited as the Provincial Councils (Transfer of Stamp Duty) (Amendment) Act, No. 6 of 2022.
2. Section 2 of the Provincial Councils (Transfer of Stamp Duty) Act, No. 13 of 2011 is hereby amended as follows:—
 - (1) by the renumbering of section 2 as subsection (1) of that section;
 - (2) in renumbered subsection (1) of that section, by the substitution for the words “revenue so collected.”, of the following words:—

“revenue so collected:

Provided however, any person who proves to the satisfaction of the Commissioner-General by a claim made in writing that he has paid any stamp duty—

 - (a) in excess of the amount properly payable by him; or
 - (b) erroneously on an instrument to which such stamp duty relates and is found that he was not liable to pay such stamp duty under the provisions of the Stamp Duty (Special Provisions) Act, No. 12 of 2006,

shall be refunded the amount so paid, out of any amount collected as stamp duty during any period prior to transfer to the Provincial Councils.”; and
 - (3) by the addition immediately after renumbered subsection (1) of the following:—

“(2) The provisions of section 11 of the Stamp Duty (Special Provisions) Act, No. 12 of 2006 shall apply to all claims for refund under this section.

(3) For the purpose of this section, “Commissioner- General” shall have the same meaning as in the Inland Revenue Act, No. 24 of 2017.”.
3. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

PERSONAL DATA PROTECTION ACT, NO. 9 OF 2022
 [Certified on 19th of March, 2022]

AN ACT TO PROVIDE FOR THE REGULATION OF PROCESSING OF PERSONAL DATA; TO IDENTIFY AND STRENGTHEN THE RIGHTS OF DATA SUBJECTS IN RELATION TO THE PROTECTION OF PERSONAL DATA; TO PROVIDE FOR THE ESTABLISHMENT OF THE DATA PROTECTION AUTHORITY; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO

WHEREAS it has become necessary to facilitate the growth and innovation in the digital economy in Sri Lanka whilst ensuring the protection of personal data rights of the data subjects:

AND WHEREAS it has become necessary to improve interoperability among personal data protection frameworks as well as to strengthen cross-border co-operation among personal data protection enforcement authorities:

AND WHEREAS it has become necessary for the government of Sri Lanka to provide for a legal framework to provide for mechanisms for the protection of personal data of data subjects ensuring consumer trust and safeguarding privacy whilst respecting domestic written laws and applicable international legal instruments:

NOW THEREFORE 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 Personal Data Protection Act, No. 9 of 2022.
- (2) The provisions of this section, shall come into operation on the date on which the certificate of the Speaker is endorsed in respect of this Act in terms of Article 79 of the Constitution.

- (3) All other provisions of this Act except the provisions of Part IV and Part V, shall come into operation on such date as the Minister may, appoint by Order published in the *Gazette*, which shall be a date not earlier than eighteen months and not later than thirty six months from the date of the certificate of the Speaker referred to in subsection (2).
 - (4) The date of operation of the provisions of Part IV of this Act, shall be a date not earlier than twenty-four months and not later than forty-eight months from the date of certificate referred to in subsection (2).
 - (5) The date of operation of the provisions of Part V of this Act shall be a date appointed by the Minister by Order published in the *Gazette* which shall be a date not later than the date appointed by the Minister under subsection (3).
2. (1) This Act shall apply to the processing of personal data—
 - (a) where the processing of personal data takes place wholly or partly within Sri Lanka; or
 - (b) where the processing of personal data is carried out by a controller or processor who—
 - (i) is domiciled or ordinarily resident in Sri Lanka;
 - (ii) is incorporated or established under any written law of Sri Lanka;
 - (iii) offers goods or services to data subjects in Sri Lanka including the offering of goods or services with specific targeting of data subjects in Sri Lanka; or
 - (iv) specifically monitors the behaviour of data subjects in Sri Lanka including profiling with the intention of making decisions in relation to the behavior of such data subjects in so far as such behaviour takes place in Sri Lanka.
 - (2) For the purposes of paragraphs (iii) and (iv) of subsection (1) respectively, the Authority may, determine by way of rules made under this Act—
 - (a) the circumstances in which the specific targeting of the data subjects may occur; or
 - (b) the circumstances in which the specific monitoring of the data subjects may occur.
 - (3) This Act shall not apply to—
 - (a) any personal data processed purely for personal, domestic or household purposes by an individual; and
 - (b) any data other than personal data.
3. (1) The provisions of this Act shall have effect notwithstanding anything to the contrary in any other written law, relating to the protection of personal data of data subjects:

Provided however, where a public authority is governed by any other written law, it shall be lawful for such authority to carry out processing of personal data in accordance with the provisions of such written law, in so far as the protection of personal data of data subjects is consistent with this Act.
 - (2) In the event of any inconsistency between the provisions of this Act and the provisions of such written law, the provisions of this Act shall prevail.

PART I

PROCESSING OF PERSONAL DATA

4. Every controller shall process personal data in compliance with the obligations specified under this Act.
5. The processing of personal data shall be lawful if a controller is in compliance with—
 - (a) any condition specified in Schedule I hereto;
 - (b) any condition specified in Schedule II hereto in the case of processing special categories of personal data;
 - (c) all the conditions specified in Schedule III hereto in the case of processing personal data based on the consent of the data subject under item (a) of Schedule I or under item (a) of Schedule II hereto; or
 - (d) all the conditions specified in Schedule IV hereto in the case of processing personal data in respect of criminal investigations.
6. (1) Every controller shall, ensure that personal data is processed for a—
 - (a) specified;
 - (b) explicit; and
 - (c) legitimate,

purposes and such personal data shall not be further processed in a manner which is incompatible with such purposes.

(2) Subject to the provisions of section 10 of this Act, further processing of such personal data by a controller for archiving purposes in the public interest, scientific research, historical research or statistical purposes shall not be considered to be incompatible with the initial purposes referred to in paragraphs (a), (b) and (c) of subsection (1).

7. Every controller shall ensure that personal data that is processed shall be—

- (a) adequate;
- (b) relevant; and
- (c) proportionate,

to the extent as is necessary in relation to the purpose for which such data shall be collected or processed.

8. Every controller shall ensure that personal data that is processed shall be—

- (a) accurate; and
- (b) kept up to date,

with every reasonable step being taken to erase or rectify any inaccurate or outdated personal data, without undue delay.

9. Every controller shall ensure that personal data that is being processed shall be kept in a form which permits identification of data subjects only for such period as may be necessary or required for the purposes for which such personal data is processed:

Provided however, subject to the provisions of section 10 of this Act, a controller may store personal data for longer periods in so far as the personal data shall be processed further for archiving purposes in the public interest, scientific research, historical research or statistical purposes.

10. Every controller shall ensure integrity and confidentiality of personal data that is being processed, by using appropriate technical and organizational measures including encryption, pseudonymisation, anonymisation or access controls or such other measures as may be prescribed so as to prevent the –

- (a) unauthorized or unlawful processing of personal data; or
- (b) loss, destruction or damage of personal data.

11. A controller shall, provide data subjects—

- (a) the information referred to in Schedule V; and
- (b) the information regarding any decision taken pursuant to a request made under PART II of this Act, in writing or by electronic means and in a concise, transparent, intelligible and easily accessible form.

12. (1) It shall be the duty of every controller to implement internal controls and procedures, (hereinafter referred to as the “Data Protection Management Programme”) that—

- (a) establishes and maintains duly catalogued records to demonstrate the manner in which the implementation of the data protection obligations referred to in sections 5, 6, 7, 8, 9, 10 and 11 are carried out by the controller;
- (b) is designed on the basis of structure, scale, volume and sensitivity of processing activities of the controller;
- (c) provides for appropriate safeguards based on data protection impact assessments specified in section 24;
- (d) is integrated into the governance structure of the controller;
- (e) establishes internal oversight mechanisms;
- (f) has a mechanism to receive complaints, conduct of inquiries and to identify personal data breaches;
- (g) is updated based on periodic monitoring and assessments; and
- (h) facilitates the exercise of rights of data subjects under sections 13, 14, 15, 16 and 18,

for the purpose of complying with the obligations referred to in sections 5, 6, 7, 8, 9, 10 and 11.

(2) The Authority shall from time to time issue such guidelines in respect of the Data Protection Management Programme.

PART II

RIGHTS OF DATA SUBJECTS

13. (1) Every data subject shall have the right to access to personal data of such data subject and to be provided with a confirmation as to whether such personal data has been processed and such information referred to in Schedule V, upon a written request made by such data subject to the controller.
- (2) The controller shall, upon receipt of a written request made by the data subject under subsection (1), provide the data subject with such information required to be provided under Schedule V, subject to section 17.
14. (1) Every data subject shall have the right to withdraw his consent at any time upon a written request made by such data subject if such processing is based on the grounds specified in item (a) of Schedule I or item (a) of Schedule II of this Act:
- Provided that, the withdrawal of such consent shall not affect the lawfulness of any processing taken place prior to such withdrawal.
- (2) Every data subject shall have the right to request a controller in writing, to refrain from further processing of personal data relating to such data subject, if such processing is based on the grounds specified in items (e) or (f) of Schedule I or item (f) of Schedule II.
15. Every data subject shall have the right to request a controller in writing to rectify or complete the personal data relating to such data subject which is either inaccurate or incomplete, and the controller shall, upon such a written request made by the data subject, rectify or complete the personal data without undue delay subject to the provisions of section 17:
- Provided however, the provisions of this section shall not impose any obligation on a controller to collect and process any additional personal data that is not required for the purpose of processing:
- Provided further, where a controller is required to maintain personal data for the evidentiary purposes under any written law or on an order of a competent court, the controller shall refrain from further processing such personal data without rectifying.
16. Every data subject shall have the right to make a written request to the controller to have his personal data erased, under the following circumstances where—
- (a) the processing of personal data is carried out in contravention of the obligations referred to in sections 5,6,7,8,9,10 and 11;
- (b) the data subject withdraws his consent upon which the processing is based, in accordance with item (a) of Schedule I or item (a) of Schedule II;
- (c) the requirement to erase personal data is required by any written law or on an order of a competent court to which the data subject or controller is subject to.
17. (1) Where a controller receives a written request from a data subject under sections 13, 14, 15 or 16, such controller shall inform the data subject in writing, within twenty-one working days from the date of such request, whether—
- (a) such request has been granted;
- (b) such request has been refused under subsection (2) and the reasons thereof unless such disclosure is prohibited by any written law; or
- (c) the controller has refrained from further processing such personal data under sections 14(2) or 15 and reasons thereof, and inform the availability of the right of appeal to the data subject in respect of the decisions made by the controller under paragraphs (b) or (c).
- (2) The controller may, refuse to act on a request made under sections 13, 14, 15 or 16 of this Act, by a data subject having regard to—
- (a) the national security;
- (b) public order;
- (c) any inquiry conducted, investigation or procedure carried out under any written law;
- (d) the prevention, detection, investigation or prosecution of criminal offences;
- (e) the rights and freedoms of other persons under any written law;

- (f) subject to the provisions of subsection (4), the technical and operational feasibility of the controller to act on such request;
- (g) subject to the provisions of subsection (4), the inability of the controller to establish the identity of the data subject; or
- (h) the requirement to process personal data under any written law.
- (3) A controller shall, record the reasons for any refusal under subsection (2) and submit such records to the Authority upon a written request from the Authority.
- (4) Where a controller is unable to establish the identity of a data subject making a request under sections 13, 14, 15 or 16, such controller may, request the data subject to provide additional information to enable the controller to carry out such requests.
- (5) Any right conferred on a data subject under this Part may be exercised—
- (a) where the data subject is a minor, by parents or a person who has the parental authority over the minor or who has been appointed as his legal guardian; or
- (b) where the data subject is physically or mentally unfit, by a person who has been appointed as his guardian or administrator by a Court; or
- (c) by a person duly authorized in writing by the data subject to make a request under this Part except in the cases referred to in paragraphs (a) and (b); or
- (d) an heir to exercise a deceased data subject's rights within a period of ten years from the date of demise of such data subject,
- in the manner prescribed by regulations.
- (6) A request made by a data subject under sections 13, 14, 15 or 16 may be accompanied by such fees, as may be prescribed by regulations made under this Act.
- (7) Where a fee is charged under subsection (6), the controller shall inform the data subject the details of such fees and reasons for imposing same.
18. (1) Subject to section 19, every data subject shall have the right to request a controller to review a decision of such controller based solely on automated processing, which has created or which is likely to create an irreversible and continuous impact on the rights and freedoms of the data subject under any written law.
- (2) The provisions of subsection (1) shall not apply where a decision of a controller, based on automated processing is—
- (a) authorized by any written law, which a controller is subject to;
- (b) authorized in a manner determined by the Authority;
- (c) based on the consent of the data subject; or
- (d) necessary for entering into or performance of a contract between the data subject and the controller,
- and the controller shall comply with such measures and applicable criteria as may be specified by the Authority by rules made in that behalf to safeguard the rights and freedoms of the data subject:
- Provided however, the requirement under paragraph (d) shall not apply to special categories of personal data.
19. (1) Where a controller—
- (a) has not refrained from further processing of personal data under section 14; or
- (b) has refused to rectify or complete personal data under section 15; or
- (c) has refused to erase personal data under section 16; or
- (d) has refused the request of the data subject under section 17(2); or
- (e) has refused the request to review a decision based solely on automated processing under section 18(1),
- the data subject may, appeal against such decision in the form, manner and within such period of time as may be prescribed.
- (2) The Authority may determine whether the –

- (a) decision of the controller not to refrain from further processing of personal data under section 14 was lawful;
 - (b) decision of the controller to refuse to rectify or complete personal data under section 15 was lawful;
 - (c) decision of the controller to refuse the erasure of personal data under section 16 was lawful;
 - (d) refusal under section 17(2) by the controller was lawful;
 - (e) refusal to review a decision based solely on automated processing under section 18(1) was lawful.
- (3) After concluding the necessary investigations, the Authority shall determine, within such period as may be prescribed, whether the appeal is allowed or disallowed and the Authority shall inform the data subject and the controller the determination with reasons thereof.
- (4) Where the Authority allows the appeal under subsection (2), the controller shall take steps to give effect to the decision of the Authority, within such period as may be determined by the Authority, and the controller shall inform the data subject and the Authority, the steps taken to give effect to its decision.
- (5) Any data subject or controller aggrieved by the decision of the Authority, may prefer an appeal to the Court of Appeal not later than thirty days from the date of such decision.

PART III

CONTROLLERS AND PROCESSORS

20. (1) Every controller and processor shall designate or appoint a Data Protection Officer, to ensure compliance with the provisions of this Act, in the following circumstances:–
- (a) where the processing is carried out by a ministry, government department or public corporation, except for judiciary acting in their judicial capacity; or
 - (b) where the core activities of processing carried out by the controller or processor consist of the following:–
 - (i) operations which, by virtue of their nature, their scope or their purposes, require regular and systematic monitoring of data subjects on a scale and magnitude as may be prescribed; or
 - (ii) processing of special categories of personal data on a scale and magnitude as may be prescribed; or
 - (iii) processing which results in a risk of harm affecting the rights of the data subjects protected under this Act based on the nature of processing and its impact on data subjects.
- (2) A Data Protection Officer shall possess relevant academic and professional qualifications as may be prescribed which may include academic background, knowledge and technical skills in matters relating to data protection having competency and capacity to implement strategies and mechanisms to respond to inquiries and incidents related to processing of personal data.
- (3) Where the controller is a group of entities, such controller may appoint a single Data Protection Officer who is easily accessible by each entity. Where a controller or a processor is a Public Authority, a single Data Protection Officer may be designated for several such public authorities, taking into account their organizational structures.
- (4) A controller or processor shall publish the contact details of the Data Protection Officer and communicate such details to the Authority.
- (5) The responsibility of the Data Protection Officer shall be to–
- (a) advise the controller or processor and their employees on data processing requirements provided under this Act or any other written law;
 - (b) ensure on behalf of the controller or processor that the provisions of this Act are complied with;
 - (c) facilitate capacity building of staff involved in data processing operations;
 - (d) provide advice on personal data protection impact assessments; and
 - (e) co-operate and comply with all directives and instructions issued by the Authority on matters relating to data protection.
21. (1) Where processing is to be carried out by a processor on behalf of a controller, the controller shall–
- (a) use only processors who ensure the provision of appropriate technical and organizational measures to give effect to the provisions of this Act and ensure the protection of rights of the data subjects under this Act; and

- (b) ensure that such processor is bound by a contract or provisions of any written law which sets out the subject-matter and duration of the processing, the nature and purpose of the processing, the type of personal data and categories of the data subjects and the obligations of the controller.
- (2) Where two or more controllers jointly determine the purposes and means of processing, such controllers shall be referred to as “joint controllers” who shall be jointly responsible for discharging the obligations stipulated under this Act.
22. (1) Where a processor is engaged in processing activities on behalf of the controller, the processor shall—
- (a) ensure that processing activities are carried out only on the written instructions of the controller;
- (b) ensure that its personnel are bound by contractual obligations on confidentiality and secrecy by the implementation of appropriate technical and organizational measures;
- (c) facilitate the controller to carry out compliance audits, including inspections upon the written request of the controller, taking into account the nature of processing and the information available to the processor; and
- (d) upon the written instructions of the controller, erase existing copies of personal data or return all personal data to the controller after the completion of the provisions of services relating to processing.
- (2) Where a processor fails to comply with the provisions of paragraph (a) of subsection (1) or determines the purposes and means of processing by itself, such processor shall, for the purposes of this Act be deemed to be a controller, in respect of such processing.
- (3) Where a processor engages another processor (hereinafter referred to as the “sub processor”) for carrying out specific processing activities, the provisions of this section shall apply to and in relation to such sub processor.
- (4) Where a sub processor fails to fulfil its obligations under subsection (3), the processor shall be liable to the controller for the performance or carrying out of the obligations of such sub processor.
- (5) For the purposes of this section “personnel” means any employee, consultant, agent, affiliate or any person who is contracted by the processor to process personal data.
23. (1) In the event of a personal data breach, a controller shall notify the Authority, regarding such personal data breach in such form, manner and within such period of time as may be determined by rules made under this Act.
- (2) The Authority shall provide for—
- (a) the circumstances where the Authority shall be notified of such data breach;
- (b) the circumstances where the affected data subject shall be notified; and
- (c) the form, and manner of making such notification, and information which shall be provided in such notification relating to the data breach,
- by way of rules made under this Act.
24. (1) Where a Controller intends to carry out any processing which involves—
- (a) a systematic and extensive evaluation of personal data or special categories of personal data including profiling;
- (b) a systematic monitoring of publicly accessible areas or telecommunication networks; or
- (c) a processing activity as may be determined by way of rules taking into consideration the scope and associated risks of that processing,
- such controller shall, prior to such processing, carry out a personal data protection impact assessment in a form and manner as may be prescribed, to ascertain the impact of the intended processing on the obligations imposed on the controller under Part I of this Act and the rights of data subjects under Part II of this Act.
- (2) The personal data protection impact assessment shall contain such information and particulars including any measures and safeguards taken by the controller to mitigate any risk of harm caused to the data subject by the processing referred to in subsection (1).
- (3) The controller shall seek the assistance of the Data Protection Officer, where designated, when carrying out a personal data protection impact assessment under subsection (1).
- (4) The controller shall conduct a fresh personal data protection impact assessment in accordance with this section whenever there is any change in the methodology, technology or process adopted in the processing for which a personal data protection impact assessment has already been carried out.

- (5) The controller shall submit to the Authority, the personal data protection impact assessment required under this section and, on written request made by the Authority, provide any other information, for the purpose of making an assessment on the compliance of the processing and in respect of any risks of harm associated with the protection of personal data of the data subject and of the related safeguards recommended by the Authority.
25. (1) Where a personal data protection impact assessment carried out under section 24 indicates that the processing is likely to result in a risk of harm to the rights of the data subjects guaranteed under this Act or any written law, a controller shall take such measures to mitigate such risk of harm, prior to any processing of personal data.
- (2) Where a Controller, despite having taken measures under subsection (1), is not able to mitigate such risks of harm to the data subject, such controller may consult the Authority prior to such processing.
- (3) Upon such consultation, the Authority may issue written instructions to the controller requiring him to take additional measures to mitigate any risk of harm to the data subject or to cease such processing.
- (4) Where the controller consults the Authority under subsection (2), the controller shall provide additional information as may be requested by the Authority.
- (5) Where the controller fails to comply with the instructions of the Authority without any reasonable cause, such controller shall contravene the provisions of this Act.
- (6) For the avoidance of doubt it is declared that when processing of personal data referred to in items (b), (f), (g) and (h) of Schedule II, such processing shall be considered to have provided such measures and appropriate safeguards to protect the rights of the data subjects required under Schedule II.
- (7) Notwithstanding anything to the contrary in any other written law, whenever the controller engages in processing of personal data referred to in section 24(1) and where such processing is carried out by a controller in relation to national security, public order and public health, the controller shall consult the Authority.
26. (1) Where a public authority process personal data as a controller or processor, such personal data shall be processed only in Sri Lanka and shall not be processed in a third country, unless the Authority in consultation with, that controller or processor as the case may be and the relevant regulatory or statutory body, classifies the categories of personal data which may be permitted to be processed in a third country, prescribed by the Minister pursuant to an adequacy decision made under subsection (2).
- (2) (a) For the purpose of making an “adequacy decision”, the Minister shall, in consultation with the Authority take into consideration the relevant written law and enforcement mechanisms relating to the protection of personal data in a third country and the application of the provisions of Part I, Part II and sections 20, 21, 22, 23, 24 and 25 of Part III of this Act, and such other prescribed criteria relating to the processing of personal data, in a third country for the purpose of cross border data flow.
- (b) Any adequacy decision made by the Minister under this subsection shall—
- (i) be subject to periodic monitoring of the developments in a third country that may affect such decisions and the Minister may review such decision at least every two years; and
- (ii) remain in force until amended or revoked by the Minister in consultation with the authority.
- (3) A controller or processor other than a public authority may process personal data—
- (a) in a third country prescribed pursuant to an adequacy decision; or
- (b) in a country, not being a third country prescribed pursuant to an adequacy decision, only where such controller or processor as the case may be, ensures compliance with the respective obligations imposed under Part I, Part II and sections 20, 21, 22, 23, 24 and 25 of Part III of this Act.
- (4) For the purpose of ensuring compliance under paragraph (b) of subsection (3), a controller or processor shall adopt such instruments as may be specified by the Authority to ensure binding and enforceable commitments of the recipient in the third country to ensure appropriate safeguards to the rights of the data subjects and remedies protected by this Act.
- (5) In the absence of any adequacy decision pursuant to subsection (2) or appropriate safeguards pursuant to subsection (4), a controller or processor other than a public authority may process personal data outside Sri Lanka if—
- (a) the data subject has explicitly consented to the proposed processing of personal data outside Sri Lanka, after having been informed of the possible risks of such processing for the data subject due to the absence of an adequacy decision and appropriate safeguards; or

- (b) the transfer is necessary for the performance of a contract between the data subject and the controller or the implementation of any pre contractual measures taken by the controller at the request of the data subject; or
- (c) the transfer is necessary for the establishment, exercise or defence of legal claims relating to the data subject; or
- (d) the transfer is necessary for reasons of public interest as defined in item (g) of Schedule I of this Act; or
- (e) the transfer is necessary to respond to an emergency that threatens the life, health, or safety of the data subject or another person and where the data subject or his legal guardian is physically or legally incapable of giving consent; or
- (f) such processing is permitted under any other conditions as may be prescribed under this Act.

PART IV

USE OF PERSONAL DATA TO DISSEMINATE SOLICITED MESSAGES

27. (1) Subject to section 14, a controller may use postal services, telecommunication services, electronic means or any other similar means for the purposes of disseminating messages only if a data subject has given consent to receive such messages (hereinafter referred to as "solicited messages").
- (2) For the purpose of subsection (1), consent shall be obtained by a controller in accordance with the conditions of Schedule III of this Act.
- (3) When obtaining a consent under subsection (1), the controller shall, at the time of collecting contact information and each time where a message is sent, provide to the data subject details on how to opt-out of receiving solicited messages free of charge.
- (4) A controller using postal, electronic, telecommunication or any other similar means to disseminate any solicited message, shall inform the data subjects, to whom such messages are intended, of the nature of the message and the identity of the controller or third party on behalf of whom the message is disseminated by the controller.
- (5) The Authority may, in consultation with the relevant regulatory or statutory body, determine by way of rules made under this Act, any code or prefix that controllers shall adopt in order to identify different categories of solicited messages.
- (6) For the purpose of this section, a "message" includes any written, electronic, oral, pictorial, or video message, that is intended to promote—
- (a) goods or services of a controller or any third party; or
 - (b) any person, entity or organisation including the controller,
- using postal, electronic or telecommunication services or any other similar methods, including the use of automated calling and communication systems with or without human intervention, other than any internet based advertisements to which a data subject has consented to obtain a service, free of charge from the controller.

PART V

DATA PROTECTION AUTHORITY

28. (1) There shall be established an authority which shall be called the Data Protection Authority of Sri Lanka (in this Act referred to as the "Authority") for the purposes of this Act.
- (2) The Authority shall, by the name assigned to it by subsection (1), be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.
29. (1) The administration, management and control of the affairs of the Authority shall be vested in a Board of Directors (in this Act referred to as the "Board").
- (2) The Board shall, for the purpose of administering the affairs of the Authority, exercise, perform and discharge the powers, duties and functions conferred on, assigned to or imposed on, the Authority by this Act.
- (3) The Board shall consist of not less than five members and not more than seven members appointed by the President from among persons who have reached eminence and proven professional expertise in the fields of engineering, medicine, banking and finance, telecommunications, Law and persons who have experience in different sectors such as public utilities, business process outsourcing (BPO), logistics, Insurance, banking and financial sectors, of whom at least two members shall have prior experience in the public sector entities.

- (4) The persons appointed to the Board shall also have experience and knowledge in regulatory matters, privacy and data protection, information security, data science, data analytics, economics, finance, information technology or related fields.
- (5) The provisions of Schedule VI to this Act, shall have effect in relation to the disqualifications and grounds for removal, resignation, leave or absence, and term of office of members of the Board and meetings, and seal of the Authority.
30. (1) The President shall appoint one of the members who has demonstrated effective leadership qualities in public or private sector entities to be the Chairperson of the Board.
- (2) The Chairperson may resign from his office by letter addressed to the President and such resignation shall be effective from the date on which it is accepted by the President.
- (3) The President may, for reasons assigned therefor remove the Chairperson from the office of the Chairperson.
- (4) Subject to the provisions of subsections (2) and (3), the term of office of the Chairperson shall be the period of his membership of the Board.
- (5) Where the Chairperson is temporarily unable to exercise, perform and discharge the powers, duties and functions of his office due to ill health, other infirmity, absence from Sri Lanka or any other cause, the President may appoint any other member to act as the Chairperson in addition to his normal duties as a member.
31. The objects of the Authority shall be—
- (a) to regulate the processing of personal data in accordance with the provisions of this Act;
- (b) to safeguard the privacy of the data subjects from any adverse impact arising from the digitalization of the procedures and services in the public and private sector;
- (c) to provide for mechanisms to ensure the protection of personal data of data subjects engaged in digital transactions and communications;
- (d) to ensure the regulatory compliance with the provisions of this Act to facilitate for the growth and innovation in digital economy.
32. The Authority may exercise the following powers, for the purpose of performing duties and discharging functions under this Act:—
- (a) to carry out whether directly or through any officer, agent, entity or institutions authorized in that behalf by the Authority, all such matters as may be necessary for the implementation of the provisions of this Act;
- (b) to take all such steps to ensure that controllers and processors carry out their duties and obligations in accordance with the provisions of this Act and inspect any information held by a controller or a processor in order to ensure the performance of his duties and obligations;
- (c) to direct a controller or a processor to take steps to comply with the provisions of this Act, including the requirement to publish terms and conditions subject to which and the manner in which processing activities are carried out;
- (d) to direct a controller or any relevant data protection officer to reimburse fees charged from a data subject for failure to provide the required information in a timely manner;
- (e) to conduct inquiries, receive complaints, require any person to appear before it, make directives and impose fines in accordance with the provisions of this Act;
- (f) to examine a person under oath or affirmation and require such person where necessary to produce any information relating to the processing of functions of a controller or processor in the manner prescribed, for the purpose of discharging the functions of this Act;
- (g) to enter into the premises of any controller or processor and inspect or seize records and carry out investigations where the Authority has reasonable grounds to believe that processing poses an imminent risk to the rights of the data subjects;
- (h) to carry out periodical evaluations into the manner in which and procedures used for any processing activities carried out by a controller or processor, including the data protection management programme;
- (i) to appoint advisory committees consisting of members whose qualifications, experience and powers and duties shall be as prescribed;
- (j) to recognize certification and certifying bodies in relation to personal data protection;
- (k) to enter into agreements with or engage in any activity, either alone or in conjunction with other apex government or regulatory institutions or international agencies or organizations, responsible for data protection outside Sri Lanka for the purposes of this Act;

- (l) to acquire, take and hold any property movable or immovable which may become vested in it or by virtue of any purchase, grants, gifts or otherwise and to sell, mortgage, lease, grant, convey, devise, assign, exchange or dispose of, any such movable or immovable property;
 - (m) to employ such officers and staff including consultants and advisors subject to such terms and conditions of employment to serve as experts as the Authority may consider appropriate for the Authority to discharge its functions;
 - (n) with the concurrence of the Minister assigned the subject of Finance, to pay such remuneration and other benefits and to establish provident funds or pension schemes as may be determined by the Authority for the benefit of its staff and officers, consultants or advisors with whom a contract of employment or service is entered into by the Authority as the case may be;
 - (o) to invest its funds in such manner as the Authority may deem necessary;
 - (p) to open, operate and close bank accounts;
 - (q) to establish standards in relation to data protection and data storage, data processing, obtaining consent and such other matters as may be necessary for the proper implementation of the provisions of this Act;
 - (r) to receive grants, gifts or donations whether from local or foreign sources:
Provided however, the Authority shall obtain prior written approval of the Department of External Resources of the Ministry of the Minister to whom the subject of Finance is assigned, in respect of all foreign grants, gifts or donations;
 - (s) to make rules and issue guidelines and directives in respect of the matters for which rules, guidelines and directives are required to be made or issued under this Act; and
 - (t) to do any other acts as may be necessary or conducive to the attainment of the objects of the Authority under this Act.
33. For the purpose of carrying out its objects, the Authority shall, perform and discharge all or any of the following duties and functions:—
- (a) direct controllers to comply with the provisions of sections 11 and 13 in accordance with the information set out in Schedule V hereto;
 - (b) monitor and examine all data processing operations to ensure the due compliance by controllers or processors, of the obligations imposed on such controllers or processors under this Act, either of its own motion or at the request of a data subject;
 - (c) issue directives to any specific controller or processor regarding any processing activity performed by such controller or processor;
 - (d) facilitate or undertake training, based on international best practices, for controllers and processors to ensure the effective implementation of the provisions of this Act;
 - (e) issue directives to ensure effective implementation of data protection management programmes by the controllers;
 - (f) promote transparency and self-regulation among controllers and processors;
 - (g) ensure domestic compliance of data protection obligations under international conventions;
 - (h) recommend to the Government on all matters relating to data protection;
 - (i) represent the Government internationally on matters relating to data protection with the approval of the Minister;
 - (j) promote studies and educational activities relating to data protection, including organising and conducting seminars, workshops and symposia relating thereto, and supporting other organisations conducting such activities;
 - (k) manage technical co-operation and exchange in the area of data protection with other organisations, including foreign data protection authorities and international or inter-governmental organisations, on its own behalf or on behalf of the government;
 - (l) carry out functions conferred on the Authority under any other written law;
 - (m) undertake research into the use and impact of new technologies on processing of personal data;
 - (n) make rules governing the sharing of personal data between controllers which are public authorities, in accordance with the provisions of this Act, where such data can be shared between the controllers via a secure interoperability platform, including setting in place criteria mandating the sharing of personal data between controllers thereby restricting the duplication of collection and storage of data already available with another controller;
 - (o) appoint advisory committees to formulate sectoral guidelines, rules and to identify criteria and define categories of processing by controllers or processors requiring a licence for the purpose of regulating identity management and related services provided to data subjects under any written law;

- (p) make rules in relation to the use of special categories of personal data, the use of personal data for the dissemination of solicited messages, in compliance with section 27, the use of personal data for profiling of individuals, the use of personal data for automated decision making; and
- (q) perform such other acts not inconsistent with the provisions of this Act or any other written law, as are necessary for the promotion of the objects of the Authority under this Act.
34. (1) The Authority may, issue licences to controllers or processors requiring a licence based on the recommendations of the advisory committee, for the purpose of regulating identity management and related services provided to data subjects under any written law.
- (2) The recommendations of the advisory committee shall identify criteria and define categories of processing by controllers or processors requiring a licence.
- (3) The categories, criteria, terms and conditions, form and duration, procedure for application, renewal, suspension, cancellation, relating to such licences, appeal against the refusal, suspension or cancellation of licence and fees to be charged may be prescribed.
- (4) The Authority may, review and monitor the compliance of such controllers or processors with applicable terms and conditions of such licences.
35. (1) Where on receipt of a complaint or otherwise, the Authority has reason to believe, that any controller or processor—
- (a) is engaged in, or is about to engage in any processing activity in contravention of this Act; or
- (b) has contravened or failed to comply with or is likely to contravene or, fails to comply with the provisions of this Act or any rule under paragraph (d), (e) or (f) of section 52, any regulation, guideline or Order made under this Act or under any other written law relating to the processing of personal data,
- the Authority may, conduct an inquiry in accordance with the procedure as may be prescribed.
- (2) The Authority may, after giving an opportunity to subsection (1), issue a directive to the controller or processor requiring such controller or processor within such time as may be prescribed—
- (a) to cease and refrain from engaging in, the act, omission or course of conduct related to processing; or
- (b) to perform such acts as in the opinion of the Authority are necessary to rectify the situation; or
- (c) to make a payment of such sum of money as compensation as determined by the Authority to an aggrieved person who has suffered harm, loss or damage as a result of any contravention by a controller or processor under subsection (1).
- (3) Every directive issued to such controller or processor under this section shall be in writing and be communicated to such controller or processor to whom it is directed by registered post, electronic communication or other similar means determined by the Authority, and such directive shall be binding on such controller or processor, who shall comply with such directive from the date of such communication.

PART VI

DIRECTOR-GENERAL AND THE STAFF OF THE AUTHORITY

36. (1) The Board shall appoint a Director-General of the Authority who have achieved eminence and the proven professional expertise in providing leadership to public sector or private sector.
- (2) The Director-General shall be the chief executive officer of the Authority and the conditions of employment including remuneration of the Director-General shall be determined by the Board by way of rules.
- (3) The Board shall not appoint any person as the Director-General of the Authority, if such person-
- (a) has been previously found guilty of serious misconduct by a court or tribunal or has been subject to a disciplinary action by a regulatory body;
- (b) has been previously dismissed from office; or
- (c) has committed a breach of the provisions of this Act, or regulations, rules or directives made thereunder.
- (4) The Director-General shall, subject to the general direction and control of the Board, be charged with the direction of the affairs and transactions of the Authority, the exercise, performance and discharge of its powers, duties and functions, and the administration and control of the officers and employees of the Authority.

- (5) The Board may remove the Director-General appointed under subsection (1), from office having regard to any one of the following reasons:—
- (a) the likelihood of any conflict of interests in carrying out his duties or functions for the Authority;
 - (b) that person becomes of unsound mind or incapable of carrying out his duties or functions;
 - (c) that person is guilty of serious misconduct in relation to his duties or functions; or
 - (d) that person is involved in any activity which may interfere with his independence in discharging his duties or functions or not complied with the general directions of the Board:

Provided that, the Board shall grant an opportunity to the Director-General of being heard prior to such removal.

37. (1) Notwithstanding anything to the contrary in any other written law, the Authority may create cadre positions and employ officers and employees as it considers necessary for the efficient discharge of its functions and may fix their salaries and wages or other remuneration, benefits and pensions of such officers and employees for the purposes of carrying out its duties and functions under the provisions of this Act.
- (2) The Authority shall promote and sponsor the training of technical personnel on the subjects of information security, data science, data analytics, information technology, finance, law and other related subjects and for this purpose, the Authority shall be authorised to defray the costs of study, in Sri Lanka or abroad of the officers and employees of the Authority who are of proven merit as determined by the Authority.
 - (3) The Authority shall prepare a code of conduct which shall be applicable to the officers and employees of the Authority.
 - (4) The Authority may revise such code of conduct by modifying, rescinding or amending from time to time.
 - (5) The Authority shall not appoint any person to the staff of the Authority where such person—
 - (a) has been previously found guilty of serious misconduct by a court or tribunal or has been subject to a disciplinary action by a regulatory body;
 - (b) has been previously dismissed from office; or
 - (c) has committed a breach of the provisions of this Act or regulations, rules or directives made thereunder.
 - (6) At the request of the Authority any officer in the public service may, with the consent of the officer and the Public Service Commission established by the Constitution be temporarily appointed to the Authority for such period as may be determined by the Authority or with like consent, be permanently appointed to such staff.
 - (7) Where any officer in the public service is temporarily appointed to the staff of the Authority, the provisions of subsection (2) of section 14 of the National Transport Commission Act, No. 37 of 1991, shall *mutatis mutandis*, apply to and in relation to such officer.
 - (8) Where any officer in the public service is permanently appointed to the staff of the Authority, the provisions of subsection (3) of section 14 of the National Transport Commission Act, No. 37 of 1991, shall *mutatis mutandis*, apply to and in relation to such officer.
 - (9) Where the Authority employs any person who has agreed to serve the Government for a specified period, any period of service to the Authority by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such agreement.
 - (10) The Authority may with the consent of such officer or employee propose secondment of its officers or employees to other state institutions or regulatory authorities in Sri Lanka or abroad for a period determined by the Board on an assignment agreed upon between such institution and the Authority. The period of secondment shall be deemed to be considered as service to the Authority.

PART VII

PENALTIES

38. (1) Where a controller or processor fails to comply with a directive issued under the provisions of section 35, the Authority shall after taking into consideration the impact on data subjects, the nature and extent of relevant non-compliances and the matters referred to in section 39 of this Act, by notice require such controller or processor to pay a penalty, which shall not exceed a sum of rupees ten million for each non-compliance.

- (2) Where a controller or processor has been subjected to a penalty on a previous occasion, subsequently fails to conform to a directive on any further occasion such person shall in addition to the penalty which may be imposed on him under subsection (1) be liable to the payment of an additional penalty consisting of twice the amount imposed as a penalty on the second and for each subsequent non-compliance.
 - (3) The Authority shall be responsible for the collection of a penalty imposed under this section and the money so collected shall be credited to the Consolidated Fund after deducting such sum of money collected as compensation if any payable to the aggrieved person affected by reason of the non-compliance of the provisions of paragraph (c) of subsection (2) of section 35.
 - (4) If a controller or processor becomes liable to a penalty in terms of subsection (1) or (2) fails to pay such penalty, within such period as may be specified in such notice, the Authority may make an ex parte application to the Magistrate Court of Colombo for an order requiring the payment of the penalty recovered in a like manner as a fine imposed by such court notwithstanding such sum may exceed the amount of fine which that court may, in the exercise of its ordinary jurisdiction impose.
 - (5) The imposition of a penalty under this section shall not preclude a relevant regulatory or statutory body from taking any other regulatory measures including, but not limited to, the suspension of such controller or processor from carrying on of a business or profession or the cancellation of a licence or authority granted for the carrying on of a business or profession, as may be permitted in terms of any applicable written law or rules for the regulation or supervision of such controller or processor.
 - (6) Where a penalty is imposed under this section on a body of persons, then—
 - (a) if that body of persons is a body corporate, every person who at the time of non-compliance under subsection (1) was a director, and other officer responsible with management and control of that body corporate;
 - (b) if that body of persons is a firm, every partner of that firm; or
 - (c) if that body is not a body corporate, every person who at the time of non-compliance of requirements under subsection (1) was the officer responsible with management and control of that body,
 shall be liable to pay such penalty, unless he proves that he had no knowledge of the failure to comply with the requirement under subsection (1) or that he exercised all due care and diligence to ensure the compliance therewith.
 - (7) A controller or processor who is aggrieved by the imposition of an administrative penalty under this section, may appeal against such decision to the Court of Appeal within twenty-one working days, from the date of the notice of the imposition of such administrative penalty was communicated to such person.
 - (8) Until rules are made under Article 136 of the Constitution pertaining to appeals under this section, the rules made under that Article pertaining to an application by way of revision to the Court of Appeal, shall apply in respect of every appeal made under subsection (7) of this section.
 - (9) Any controller or processor who prefer an appeal to the Court of Appeal under subsection (7), shall, deposit in cash as a security such sum of money equal to the penalty imposed under subsections (1) or (2) before the registrar of the Court of Appeal.
 - (10) Where an appeal is preferred under subsection (7), the burden of proof shall be on the controller or the processor as the case may be, to prove that he has acted in compliance with the provisions of this Act.
39. In making a determination to impose an administrative penalty, including the amount as provided in subsection (1) of section 38, the Authority shall have regard to the following matters:—
- (a) the nature, gravity and duration of the contravention taking into account the nature, scope or purpose of the processing concerned as well as the number of data subjects affected and the level of damage suffered by them;
 - (b) any action taken by the controller or processor to mitigate the damage suffered by data subjects;
 - (c) the effectiveness of the data protection management programme required from the controller under section 12;
 - (d) the degree of co-operation with the Authority, in order to remedy the contravention and mitigate the possible adverse effects of such contravention;
 - (e) the categories of personal data affected by any contravention;

- (f) the manner in which a contravention became known to the Authority, in particular whether, and if so to what extent, the controller or processor notified the contravention to the Authority;
 - (g) the previous non-compliances by such controller or processor under this Act;
 - (h) any other aggravating or mitigating factors applicable to the circumstances of the case, such as financial benefits gained, or losses avoided, directly or indirectly, arising out of or in relation to the contravention of this Act by a controller or processor as the case may be.
40. Any exemption, restriction or derogation to the provisions of this Act shall not be allowed except where such an exemption, restriction or derogation is provided for in any law and respects the essence of the fundamental rights and freedoms and constitute a necessary and proportionate measure in a democratic society for—
- (a) the protection of national security, defense, public safety, public health, economic and financial systems stability of the Republic of Sri Lanka;
 - (b) the impartiality and independence of the judiciary;
 - (c) the prevention, investigation and prosecution of criminal offences;
 - (d) the execution of criminal penalties; and
 - (e) the protection of the right and fundamental freedoms of persons, particularly the freedom of expression and the right to information.

PART VIII

FUND OF THE AUTHORITY

41. (1) The Authority shall have its own fund (hereinafter referred to as the “Fund”).
- (2) There shall be paid into the Fund—
- (a) all such sums of money as may be voted by Parliament for the use of the Authority ; and
 - (b) all such sums of money as may be received by the Authority in the exercise, performance and discharge of its powers, duties and functions under this Act; and
 - (c) all such sums of money as may be paid as fees under the provisions of this Act; and
 - (d) all such sums of money as may be received by the Authority by way of gifts, grants or donations from the Consolidated Fund, the Government, or a foreign Government, State Agencies and from multilateral and bilateral agencies whether within or outside Sri Lanka.
- (3) There shall be paid out of the Fund all such sums as are required to defray expenditure incurred by the Authority in the exercise, performance and discharge of its powers, duties and functions under this Act or under any other written law and all such sums as are required to be paid out of the Fund.
- (4) Monies belonging to the Fund of the Authority may be invested by the Authority in such manner as may be determined by the Board.
42. (1) The financial year of the Authority shall be the calendar year.
- (2) The provisions of Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to the audit of the accounts of the Authority.

PART IX

MISCELLANEOUS

43. The Authority may with the consent of the Minister given in concurrence with the Minister assigned the subject of Finance borrow temporarily by way of overdraft or otherwise, such sums of money as the Authority may require for defraying any expenditure incurred by it in the exercise, performance and discharge of its powers, duties and functions under this Act:
- Provided that, the aggregate of the amounts outstanding in respect of any loans raised by the Authority under this section, shall not exceed such sum as may be determined by the Minister in consultation with the Minister assigned the subject of Finance.
44. (1) The Board may, subject to such conditions as may be specified in writing, delegate to the Director-General or any officer of the Authority, any of its powers, duties and functions under this Act and the Director-General or such officer shall exercise, perform and discharge such power, duty or function subject to any special or general directions issued by the Board.

- (2) Notwithstanding any delegation made under subsection (1), the Board may exercise, perform and discharge any such power, duty or function so delegated.
45. (1) The Director-General may delegate any of his powers, duties or functions under this Act, to any officer of the Authority.
- (2) An officer to whom any power, duty or function is delegated under subsection (1), shall exercise, perform and discharge such power, duty and function subject to such directions as may be given by the Director-General.
- (3) The Director-General shall, notwithstanding any delegation made under subsection (1), have the right to exercise, perform and discharge any power, duty or function so delegated.
46. (1) All expenses incurred by the Authority in any suit or prosecution brought by or against it before any court, shall be paid out of the Fund of the Authority and only costs paid to or recovered by the Authority in any such suit or prosecution, shall be credited to the Fund of the Authority.
- (2) Any expense incurred by a member of the Board, Director-General, or any officer or other employees of the Authority, in any suit or prosecution brought by or against such person before any court in respect of any act which is done or purported to be done by such person under this Act, shall if the court holds that the act was done in good faith, be paid out of the Fund of the Authority, unless such expenses are recovered by him in such suit or prosecution.
47. The Minister shall from time to time review the performance of the Authority and require the Authority to submit such reports relating to its affairs and activities as may be required by the Minister.
48. (1) The Authority shall within six months of the end of each financial year, submit to the Minister an annual report of the activities carried out by the Authority during that financial year, with such supporting documents as the Minister may require from time to time for the evaluation of the performance of the Authority.
- (2) The Minister shall, lay copies of the report and documents submitted under subsection (1) before Parliament within six months from the date of receipt of such report and the documents.
49. A liability whether civil or criminal, shall not be attached to any officer of the Authority or to any officer authorized by such officer, for anything which is done in good faith in the performance or exercise of any function or power imposed or conferred on the Authority under this Act.
50. All officers and employees of the Authority, shall be deemed to be public servants within the meaning and for the purposes of Penal Code (Chapter 19).
51. The Authority shall be deemed to be a Scheduled institution within the meaning of the Bribery Act, (Chapter 26) and the provisions of that Act shall be construed accordingly.
52. (1) The Authority shall make rules in respect of—
- the schemes of recruitments, terms of appointment, employment and dismissal of various officers and employees and their powers, functions including the powers and functions of the Director-General and the payment of remuneration;
 - the procedure to be observed at the summoning and holding of meetings of the Authority;
 - the management of the affairs of the Authority;
 - the form and manner of exercising rights of data subjects under Part II;
 - criteria for refusal of the request of data subjects under section 17.
 - all matters for which, rules are required or authorized to be made under this Act.
- (2) The Authority shall make first rules under subsection (1), within twenty-four months from the date of coming into operation of the provisions of Part V of this Act.
- (3) The Authority shall, prior to making rules under paragraphs (d), (e) or (f) of subsection (1), hold public consultations for a period of not less than two weeks.
- (4) The period of public consultation referred to in subsection (3) may be extended for a further period as may be specified by the Authority.
- (5) A rule made under this section shall not have effect until it is approved by the Minister and approved rules and notification of such approval are published in the *Gazette*.
- (6) Every rule made under paragraphs (d), (e) or (f) of subsection (1), shall within three months after its publication in the *Gazette* be brought before Parliament for approval and any rule, which is not so approved, shall be deemed to be rescinded with effect from the date of such disapproval, but without prejudice to anything previously done thereunder.

- (7) Notification of the date on which any rule made by the Authority is deemed to be rescinded shall be published in the *Gazette*.
53. (1) The Minister may make regulations with the concurrence of the Authority in respect of any matter required by this Act to be prescribed or in respect of which regulations are authorized by this Act to be made.
- (2) In particular and without prejudice to the generality of the powers conferred by subsection (1), the Minister with the concurrence of the Authority may make regulations in respect of the following matters:—
- (a) amendment, addition to or variation of the conditions under Schedules I, II, III and IV;
 - (b) identification of the third countries that ensure level of protection referred to in subsection (2) of section 26 taking into consideration, the relevant legislation, enforceability of the data subject's rights and freedoms, international commitments, effective administrative and judicial redress availability for the data subjects whose personal data are being transferred;
 - (c) specifying the fees and charges levied for any service provided under this Act;
 - (d) specifying the categories and criteria of licenses to be issued under this Act;
 - (e) providing for terms and conditions, form and duration, procedure for application, renewal, suspension, cancellation of such licences and appeal against the refusal, suspension or cancellation of licences;
 - (f) charging of fees for the issue of licences;
 - (g) specifying the conditions for providing appropriate safeguard for the rights and freedoms of data subjects relating to protection of personal data;
 - (h) specifying the form and manner by which appeals may be made to the Authority under the provisions of this Act.
- (3) Every regulation made under subsection (1), shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in such regulation.
- (4) Every regulation made under subsection (1), shall within three months after its publication in the *Gazette* be brought before Parliament for approval and any regulation, which is not so approved, shall be deemed to be rescinded with effect from the date of such disapproval, but without prejudice to anything previously done thereunder.
- (5) Notification of the date on which any regulation made by the Minister is deemed to be rescinded shall be published in the *Gazette*.
54. Every person appointed under the authority of this Act shall, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy in respect of any information, which may come to his knowledge in the exercise, performance and discharge of his powers, duties and functions under this Act, shall by such declaration pledge himself not to disclose any such information, except—
- (a) when required to do so by a Court of law; or
 - (b) in order to comply with any of the provisions of this Act or any other written law.
55. (1) If any difficulty arises in giving effect to the provisions of this Act or the rules, regulations, or Orders made under this Act, the Minister may by Order published in the *Gazette*, make such provision not inconsistent with the provisions of this Act, or any other written law, as appears to the Minister to be necessary or expedient for removing the difficulty:
- Provided that, no such Order shall be made after the expiry of a period of five years from the date of coming into operation of this Act.
- (2) Every Order made under this section shall, within three months after it is made, be laid before Parliament.

PART X

INTERPRETATION

56. In this Act, unless the context otherwise requires—

“anonymise” in relation to personal data means permanent removal of any personal identifiers from personal data to render any such personal data from being related to a identified or identifiable natural person;

“automated processing” means, processing that does not involve any manual processing;

“biometric data” means, personal data resulting from specific technical processing relating to the physical, physiological or behavioral characteristics of a natural person, which allow or confirm the unique identification of that natural person, including facial images, dactyloscopic data or iris related data;

“certifying bodies” means, the bodies local or foreign that provide certification services relating to the processing of personal data or qualifications of Data Protection Officers;

“child” means, a natural person who is below the age of sixteen years;

“consent” means, any freely given, specific, informed and unambiguous indication by way of a written declaration or an affirmative action signifying a data subject’s agreement to the processing of his personal data;

“controller” means, any natural or legal person, public authority, public corporation, non-governmental organization, agency or any other body or entity which alone or jointly with others determines the purposes and means of the processing of personal data;

“cross-border data flow” means, the movement of personal data out of the territory of Sri Lanka for the purpose of processing personal data in a third country;

“dactyloscopic data” means, data relating to fingerprints;

“data concerning health” means, personal data related to the physical or psychological health of a natural person, which includes any information that indicates his health situation or status;

“Data Protection Authority” means, the Authority established under section 28 of this Act;

“Data Protection Officer” means, the person designated or appointed under section 20 of this Act;

“data subject” means, an identified or identifiable natural person, alive or deceased, to whom the personal data relates;

“identifiable natural person” is a natural person who can be identified, directly or indirectly, by reference to any personal data;

“encryption” means, the act of ciphering or altering data using mathematical algorithm to make such data unintelligible to unauthorized users;

“financial data” means, any alpha-numeric identifier or other personal data which can identify an account opened by a data subject, or card or payment instrument issued by a financial institution to a data subject or any personal data regarding the relationship between a financial institution and a data subject, financial status and credit history relating to such data subjects, including data relating to remuneration;

“genetic data” means, personal data relating to the genetic characteristics of a natural person which gives unique information about the physiology or the health of that natural person which results from an analysis of a biological sample or bodily fluid of that natural person;

“local authority” means, a Municipal Council, Urban Council or a Pradeshiya Sabha and includes any authority created or established by or under any law to exercise, perform and discharge powers, duties and functions corresponding or similar to the powers, duties and functions exercised, performed or discharged by any such Council or Sabha;

“Minister” means, the Minister assigned the subject of data protection under Article 44 or 45 of the Constitution;

“personal data” means, any information that can identify a data subject directly or indirectly, by reference to—

- (a) an identifier such as a name, an identification number, financial data, location data or an online identifier; or
- (b) one or more factors specific to the physical, physiological, genetic, psychological, economic, cultural or social identity of that individual or natural person.

“personal data breach” means, any act or omission that results in accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored or otherwise processed;

“personal data revealing racial or ethnic origin” means, any personal data including photographs that may indicate or be related to the race or ethnicity of a natural person;

“prescribed” means, prescribed by regulations made under this Act;

“processing” means, any operation performed on personal data including but not limited to collection, storage, preservation, alteration, retrieval, disclosure, transmission, making available, erasure, destruction of, consultation, alignment, combination, or the carrying out of logical or arithmetical operations on personal data;

“processor” means, a natural or legal person, public authority or other entity established by or under any written law, which processes personal data on behalf of the controller;

for the avoidance of doubt, a processor shall be a separate entity or person from the controller and not a person subject to any hierarchical control of the controller and excludes processing that is done internally such as one department processing for another, or an employee processing data on behalf of their employer;

Illustration: Hospital A, employs a data scientist as an employee to manage its analysis of patient records. The Hospital has decided to store its patient records on a third-party local cloud platform hosted by Company B. Hospital A is the controller, and the Company B is the processor where management of patient records are concerned. The data scientist of the hospital is only an employee of the controller and not a processor.

“profiling” means, processing of personal data to evaluate, analyse or predict aspects concerning that data subject’s performance at work, economic situation, health, personal preferences, interests, credibility, behavior, habits, location or movements;

“pseudonymisation” means, the processing of personal data in such a manner that the personal data cannot be used to identify a data subject without the use of additional information and such additional information is kept separately and is subject to technical and organizational measures to ensure that the personal data is not attributed to a data subject;

“public authority” means, a Ministry, any Department or Provincial Council, local authority, statutory body or any institution established by any written law, or a Ministry, any Department or other authority or institution established or created by a Provincial Council;

“relevant regulatory or statutory body” means, the regulatory or statutory body established by or under any written law which regulates, authorizes or supervises the controller and includes a Ministry which carries out the supervisory functions for the purpose of sections 26, 27 and 38 of this Act;

“recipient” means, a natural or legal person to whom the personal data is disclosed, or a public Authority or any incorporated or unincorporated body to which the personal data is disclosed;

“special categories of personal data” means, the personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation, personal data relating to offences, criminal proceedings and convictions, or personal data relating to a child;

“Sri Lanka” means, the territorial limits of Sri Lanka as stipulated by Article 5 of the Constitution and includes the territorial waters or air space of Sri Lanka, any ship or aircraft registered in Sri Lanka, any location within the premises of a Sri Lankan mission or the residence of the Head of such mission, diplomatic agent or any other member of such mission, situated outside Sri Lanka, or within any premises occupied on behalf of, or under the control of, the Government of Sri Lanka or any statutory body established in Sri Lanka and situated outside Sri Lanka;

“third country” means, a country prescribed under section 26 for the purpose of cross-border data flow;

“third party” means, a natural or legal person, public authority, agency or body other than the data subject, controller, processor and persons who are under the direct authority of the controller or processor, are authorized to process personal data;

“written” includes a document written manually or electronically.

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

(Section 5 (a))

SCHEDULE I

CONDITIONS FOR LAWFUL PROCESSING

- (a) the data subject has given consent to the processing of his personal data; or
- (b) processing is necessary for the performance of a contract to which the data subject is a party or in order to take steps at the request of the data subject prior to entering into a contract; or
- (c) processing is necessary for compliance with a legal obligation to which the controller or processor is subject to under any written law; or
- (d) processing is necessary to respond to an emergency that threatens the life, health or safety of the data subject or another natural person; or
- (e) processing is necessary for the performance of a task carried out in the public interest or in the exercise of powers, functions

or duties conferred, imposed or assigned on the controller or processor by or under any written law including any circular, direction or code issued by the government; or

- (f) processing is necessary for the purposes of the legitimate interests pursued by the controller or by a third party, except where such interests are overridden by the interests of the data subject which require protection of personal data, in particular where the data subject is a child.
- (g) for the purpose of item (e) of this Schedule, “public interest” includes-
 - (i) processing of personal data is necessary for health purposes such as public health and social protection and the management of health care services;
 - (ii) processing of personal data is necessary for the control of communicable diseases and other serious threats to health;
 - (iii) processing of personal data is necessary by official authorities for achieving the purposes or objects laid down by law.
- (h) for the purpose of item (f) of this Schedule, “legitimate interest” includes-
 - (i) processing in situations where the data subject is a client or in the service of a controller;
 - (ii) whether a data subject reasonably expects at the time and in the context of the collection of the personal data that processing for that purpose may take place;
 - (iii) processing of personal data is strictly necessary for the purposes of preventing fraud;
 - (iv) processing of personal data to the extent strictly necessary and proportionate for the purposes of ensuring network and information security.

(Section 5 (b))

SCHEDULE II

CONDITIONS FOR PROCESSING SPECIAL CATEGORIES OF PERSONAL DATA

- (a) the data subject has given consent, to the processing of special categories of personal data for one or more purposes specified by the controller at the time of processing, unless any other written law prohibits the processing of such personal data notwithstanding the consent of the data subject concerned. In the case of a child, consent shall mean the consent of the parent or legal guardian of such child; or
- (b) processing is necessary for the purposes of carrying out the obligations of the controller and exercising of the rights of the data subject, in the field of employment, social security including pension, and for public health purposes ensuring public safety, monitoring and public alert systems relating to impending health or other emergencies, the prevention or control of communicable diseases and other serious threats to public health and the management of public health-care services in so far as it is provided for in any written law providing for appropriate safeguards for rights of the data subject; or
- (c) processing is necessary to respond to an emergency that threatens the life, health or safety of the data subject or another natural person where the data subject is physically or legally incapable of giving consent; or
- (d) processing relates to personal data which is manifestly made public by the data subject; or
- (e) processing is necessary for the establishment, exercise or defence of legal claims before a court or tribunal or such similar forum, or whenever courts are acting in their judicial capacity; or
- (f) processing is necessary for, any purpose as provided for in any written law or public interest as determined under item (g) of Schedule I, which shall be necessary and proportionate to the aim pursued whilst providing suitable and specific measures to safeguard the rights and freedoms of the data subject; or
- (g) processing is necessary for the purposes of preventive or occupational medicine, medical diagnosis, the provision of care or treatment or the management of health-care services, and where such data is processed by a health professional licensed under or authorized by any written law prevailing in Sri Lanka; or
- (h) processing is necessary for archiving purposes in the public interest, scientific research or historical research purposes or statistical purposes in accordance with law which shall be proportionate to the aim pursued, protecting the data protection rights enumerated in this Act or any other written law and provide for suitable and specific measures to safeguard the rights and freedoms of the data subject.

(Section 5 (c))

SCHEDULE III**CONDITIONS FOR CONSENT OF THE DATA SUBJECT**

- (a) the controller shall demonstrate that the data subject has consented to processing of the personal data relating to such data subject;
- (b) if the consent of the data subject is given in the context of a written declaration which also concerns other matters, the request for consent shall be presented in a manner which is clearly distinguishable from the other matters, in an intelligible and easily accessible form, using clear and plain language:

Provided that, such a declaration shall not constitute an infringement of any provisions of this Act.

- (c) when assessing whether consent is freely given, special consideration shall be taken of whether, *inter alia*, the performance of a contract, including the provision of a service, is conditional on consent to the processing of personal data that is not necessary for the performance of that contract; and
- (d) prior to giving consent, the data subject shall be informed thereof that consent can be withdrawn anytime subject to the provisions of this Act.

(Section 5 (d))

SCHEDULE IV**PROCESSING OF PERSONAL DATA RELATING TO CRIMINAL INVESTIGATIONS**

- (a) processing of personal data relating to lawful investigations of offences or related security measures shall be carried out only in accordance with applicable written laws, whilst providing for appropriate safeguards for the rights and freedoms of data subjects;
- (b) for the avoidance of doubt, processing of personal data may be considered lawful under this Schedule if investigations are carried out pursuant to the provisions of the Code of Criminal Procedure Act, No. 15 of 1979 or provisions under any other written law; and
- (c) conditions for providing appropriate safeguards for the rights and freedoms of data subjects under this Schedule may be as prescribed.

(Sections 11 and 13)

SCHEDULE V**COLLECTION OF PERSONAL DATA**

1. where the personal data relating to a data subject is collected from the data subject, the controller shall provide the data subject with the following information, at the time of collection of such personal data -
 - (a) the identity and contact details of the controller and where applicable of the controller's representative;
 - (b) the contact details of the Data Protection Officer, where applicable;
 - (c) the intended purposes for which the personal data is processed and the legal basis for the processing;
 - (d) the legitimate interest pursued by the controller or by a third party where processing is based on item (f) of Schedule 1;
 - (e) the categories of personal data being collected;
 - (f) where processing is intended to be based on consent pursuant to item (a) of Schedule I and item (a) of Schedule II, the existence of the right of the data subject to withdraw his consent, and the procedure for such withdrawal, without affecting the lawfulness of processing based on consent before its withdrawal;
 - (g) recipients or third parties with whom such personal data may be shared, if applicable;
 - (h) information regarding any cross-border transfer of the personal data that the controller intends to carry out, if applicable;
 - (i) the period for which the personal data shall be retained in terms of section 9 or where such period is not known, the criteria for determining such period;
 - (j) the existence of and procedure for the exercise of rights of the data subject referred to in Part II;

- (k) the existence of a right to file complaints to the Authority;
 - (l) whether the provision of personal data by the data subject is a statutory or contractual requirement, or a requirement necessary to enter into a contract, as well as whether the data subject is obliged to provide the personal data and of the possible consequences of failure to provide such data; and
 - (m) the existence of automated individual decision-making referred to in section 18, including profiling, and, at least in those cases, reasonably meaningful information about the logic involved, as well as the significance and the envisaged consequences of such processing for the data subject.
2. Where the controller intends to further process the personal data for a purpose other than for which it was originally collected, the controller shall provide the data subject detailed information on the further processing in the manner provided in item 1 of this Schedule and the purpose thereof.
 3. Items 1 and 2 of this Schedule shall not apply where the data subject already has obtained or made aware of the information.
 4. Where the personal data of the data subject has been obtained other than through a direct interaction with the data subject, the controller shall provide the data subject, the source from which the personal data originate, and whether or not it came from publicly accessible source, where applicable in addition to the information required under item 1 of this Schedule.
 5. Where the personal data of the data subject has been obtained other than through a direct interaction with the data subject, the controller shall provide the information under items 1 and 4 of this Schedule –
 - (a) within a reasonable period of time after obtaining the personal data, but at least within one month, having regard to the specific circumstances in which the personal data is processed;
 - (b) if the personal data is to be used for communication with the data subject, at least at the time of the first communication to that data subject; or
 - (c) if a disclosure to another recipient is envisaged, at least when the personal data is first disclosed.
 6. Items 1 to 4 of this Schedule shall not apply where –
 - (a) the controller has established the fact that the data subject has already been provided with or made aware of the information; or
 - (b) the provision of such information proves impossible or would involve a disproportionate effort, in particular for processing for archival purposes in the public interest in the manner provided for by any written law, scientific research, historical research or statistical research purposes, subject to the conditions and safeguards provided in this Act or in so far as the obligation referred to in item 1 of this Schedule is likely to render impossible or seriously impair the achievement of the objectives of that processing. In such cases the controller shall take appropriate measures to protect the rights and freedoms of data subject protected under any written law, including making the relevant information publicly available; or
 - (c) obtaining or disclosure is expressly laid down by any written law to which the controller is subjected to and which provides appropriate measures to protect the rights and freedoms of data subjects protected under this Act and such written law; or
 - (d) the personal data shall remain confidential, consequent to obligations of professional privilege or is not permitted to be disclosed under any written law, including a statutory obligation of secrecy.

(Section 29 (5))

SCHEDULE VI

1. Every member of the Board other than the Chairperson shall, unless he vacates office earlier by death, resignation or removal, hold office for a term of three years from the date of his appointment and unless he has been removed from office, be eligible for reappointment:
 Provided that, a member appointed in place of a member who had vacated office, by death, resignation or removal, shall hold office for the unexpired term of office of the member whom he succeeds.
2. (1) Any member of the Board may at any time resign his office by letter addressed to the President and such resignation shall take effect upon it being accepted by the President.

- (2) In the event of vacation of office of any member by reason of death, resignation, removal, the President may appoint another person having regard to the provisions of subsection (3) and (4) of section 29 to hold office for the unexpired period of the term of office of the member whom he succeeds.
 - (3) If any member other than the Chairperson is temporarily unable to perform the duties of his office for a period exceeding three months due to ill health or absence from Sri Lanka or for any other cause, the President may appoint some other person to act in his place during such period having regard to the provisions of subsection (3) and (4) of section 29.
 - (4) A member of the Board who, without leave of the first being obtained, absents himself from three consecutive meetings of the Authority shall be deemed to have vacated his office.
3. (1) A person shall be disqualified from being appointed or from continuing as a member of the Board if he—
 - (a) is or becomes a member of Parliament, or a member of any Provincial Council or any local authority;
 - (b) is or becomes of unsound mind or incapable of carrying out his duties;
 - (c) is or has become an undischarged bankrupt;
 - (d) is or has been convicted of an offence which involves moral turpitude;
 - (e) has been previously removed from office.
 - (2) The President shall remove a member of the Board from continuing as a member if he—
 - (a) is guilty of serious misconduct in relation to his duties;
 - (b) abuses his position so as to render his continuation in office detrimental to the interest of the Authority;
 - (c) is disqualified under paragraph (1) of item 3; or
 - (d) contravenes the provisions of this Act.
4. A member who is directly or indirectly interested in any decision that is to be taken on any matter by the Board shall disclose the nature of such interest at the meeting of the Board where such decision is being taken, and such disclosure shall be recorded in the minutes of the meetings of the Board and such member shall not take part in any deliberation or decision of the Board with regard to that matter, and shall withdraw from such meeting while such deliberation is in progress or such decision is being made.
 5. The members of the Board, may be remunerated in such manner in consultation with the Minister assigned the subject of Finance and shall carry out their functions subject to such terms and conditions as may from time to time be determined by the President.
 6. (1) The *quorum* for any meeting of the Board shall be three members including the Chairperson.
 - (2) The Director-General shall summon all meetings of the Board.
 - (3) A meeting of the Board may be held either—
 - (a) by the number of members who constitute a quorum being assembled at the place, date and time appointed for the meeting; or
 - (b) by means of audio-visual communication by which all members participating and constituting a quorum can simultaneously see and hear each participating member for the duration of the meeting.
 - (4) All questions for decision at any meeting of the Board shall be decided by the vote of the majority of members present and voting at such meeting. In the case of an equality of votes, the Chairperson shall, in addition to his vote, have a casting vote.
 - (5) The Chairperson shall preside at every meeting of the Board. In the absence of the Chairperson from any meeting of the Board, any member elected by the members present shall preside at such meeting of the Board.
 - (6) The meetings of the Board shall be conducted in conformity with the rules made and procedure established, by it from time to time.
 7. No proceeding, act or decision of the Board shall be invalidated by reason only of the existence of a vacancy among its members or of any defect in the appointment of a member thereof.
 8. (1) The seal of the Authority shall be in the custody of the Board.

- (2) The seal of the Authority may be altered in such manner as may be determined by the Board.
- (3) The seal of the Authority shall not be affixed to any instrument or document except in the presence of one member of the Board and the Director-General of the Authority or in the absence of the Director-General, in the presence of any two members of the Board, who shall sign the instrument or document in token of their presence.
- (4) The Board shall maintain a register of the instruments and documents to which the seal of the Authority has been affixed.

WORKMEN'S COMPENSATION (AMENDMENT) ACT, No. 10 OF 2022

[Certified on 19th of March, 2022]

AN ACT TO AMEND THE WORKMEN'S COMPENSATION ORDINANCE (CHAPTER 139)

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

1. This Act may be cited as the Workmen's Compensation (Amendment) Act, No. 10 of 2022.
2. The long title to the Workmen's Compensation Ordinance (Chapter 139) (hereinafter in this Act referred to as the "principal enactment") is hereby amended by the substitution, for the words "who are injured in the course of their employment." of the words "who are injured in the course of their employment or while coming from their place of residence to the work place or while returning back to their place of residence from the work place."
3. Section 2 of the principal enactment is hereby amended by the insertion immediately after the definition of the expression "partial disablement" of the following definition:-

"place of residence" includes any permanent place of residence of a workman or a boarding house or any other place where a workman resides temporarily for the purpose of coming to his workplace;"
4. Section 3 of the principal enactment is hereby amended by the substitution for the words "in the course of his employment," of the words "in the course of his employment or by an accident took place while coming from his place of residence to the work place or while returning back to his place of residence from the work place,".
5. Section 4 of the principal enactment is hereby amended by the substitution for the words "in the course of his employment." of the words "in the course of his employment or while coming from his place of residence to the work place or while returning back to his place of residence from the work place."
6. Section 5 of the principal enactment is hereby amended by the substitution for the words "in the course of his employment," of the words "in the course of his employment or by an accident took place while coming from his place of residence to the work place, or while returning back to his place of residence from the work place."
7. The following new section is hereby inserted immediately after section 6 of the principal enactment and shall have effect as section 6A of that enactment:-

6A. Notwithstanding anything contained in section 6, in the case of permanent or partial disablement, the nature of employment of a workman in relation to any injury shall be taken into consideration in calculating the amount of compensation. Such compensation shall be based on the medical report issued by the relevant doctor."
8. Section 7 of the principal enactment is hereby amended in subsection (1) of that section by the insertion immediately after paragraph (c) thereof of the following paragraph:-

"(d) in the case of a daily paid or piece rated workman, the monthly wages of such workman shall be the aggregate of earnings of daily payments or piece rates for the last twelve months during which such workman has been in service immediately preceding the accident, divided by twelve and again divided by twenty five."
9. Section 11 of the principal enactment is hereby amended in the proviso to subsection (1), by the substitution for the words "not exceeding an aggregate of ten thousand rupees," of the words "not exceeding an aggregate of twenty thousand rupees,".
10. Section 12 of the principal enactment is hereby amended by the repeal of subsection (1) and the substitution therefor of the following:-

"(1) On the deposit of any money under section 11 as compensation in respect of a deceased workman, the Commissioner shall deduct therefrom the actual cost of the workman's funeral expenses to an amount not exceeding one hundred thousand rupees and pay the same to the person by whom such expenses were incurred.

(1A) The Commissioner shall cause a notice to be served on each dependent of the deceased resident in Sri Lanka, requesting such dependents to appear before him on such date as he may fix, to determine the distribution of the compensation. If the Commissioner is satisfied, after any inquiry which he may deem necessary, that no dependent exists, he shall repay the balance of the money to the employer by whom it was paid, but no such repayment shall be made until after the expiry of a period of twelve months reckoned from the date on which the money was deposited under section 11. The Commissioner shall on application by the employer, furnish a settlement of all disbursements made.”.

11. Section 16 of the principal enactment is hereby amended in subsection (1), by the substitution for the words “within two years of the occurrence of the accident” of the words “within two years of the occurrence of the accident or in case of death, within two years from the date of death.”.
12. Section 18 of the principal enactment is hereby amended as follows:–
 - (1) in subsection (2) thereof, by the substitution for the words “fine not exceeding five hundred rupees.” of the words “fine not exceeding one hundred thousand rupees.”;
 - (2) immediately after subsection (2), by the insertion of the following:–

“(3) Every employer shall maintain, in addition to the notice book specified in subsection (1), a record book, in which information and details of any accident at any factory or work place is included. The employer shall also appoint a responsible person to be in charge of such record book. The Commissioner shall have access to such record book and call for extracts or copies thereof for inspection.”.
13. Section 20 of the principal enactment is hereby amended as follows:–
 - (1) in subsection (1) thereof by the substitution for the words “in the course of his employment,” of the words “in the course of his employment or while coming from his place of residence to the work place or while returning back to his place of residence from the work place,”;
 - (2) immediately after subsection (4) thereof, by the insertion of the following:–

“(5) The Commissioner may determine a sum which is not more than fifty thousand rupees payable by the employer as funeral expenditure of the deceased workman. Such sum shall be in addition to the compensation payable by the employer and be deposited with the Commissioner or the next of kin of such workman, by the relevant employer.”.
14. Section 23A of the principal enactment is hereby repealed and the following new section is substituted therefor:–

23A. Any employer who, being liable to pay any sum due as compensation to a workman or his heirs, as the case may be, under this Act, fails or defaults to pay that sum, on or before the due date, he shall be liable to pay to that workman or his heirs, as the case may be, in addition to the sum due as compensation, a surcharge on that sum calculated in the following manner:–

 - (a) where the payment of the compensation has been in arrears for a period not exceeding one month from the due date, a surcharge of ten *per centum* of the sum due as compensation;
 - (b) where the payment of the compensation has been in arrears for a period exceeding one month but not exceeding three months from the due date, a surcharge of fifteen *per centum* of the sum due as compensation;
 - (c) where the payment of the compensation has been in arrears for a period exceeding three months but not exceeding six months from the due date, a surcharge of twenty *per centum* of the sum due as compensation;
 - (d) where the payment of the compensation has been in arrears for a period exceeding six months but not exceeding twelve months from the due date, a surcharge of twenty-five *per centum* of the sum due as compensation; or
 - (e) where the payment of the compensation has been in arrears for a period exceeding twelve months from the due date, a surcharge of thirty *per centum* of the sum due as compensation.”.
15. The following new section is hereby inserted immediately after section 27 of the principal enactment and shall have effect as section 27A of that enactment:–

27A. There shall be appointed by the Judicial Service Commission, a Registrar of Workmen’s Compensation for the purpose of this Act.”.
16. Section 41 of the principal enactment is hereby amended by the repeal of subsection (2) and the substitution thereof of the following:–

“(2) If any sum referred to in subsection (1) cannot be recovered in the manner specified in that subsection, the Commissioner may make an order for the recovery of such sum by the seizure or sale of immovable property of the defaulter. The registrar of workmen’s compensation, appointed under section 27a, shall execute such order through the registrar of the relevant District Court within whose jurisdiction such defaulter resides. The provisions of the Civil Procedure Code (Chapter 101) relating to the seizure and sale of immovable property by the Fiscal in the execution of a Writ issued by a court and to the making and adjudication of claims in respect of immovable property seized by the Fiscal shall apply to the seizure and sale of immovable property for the recovery of the sum specified in the Commissioner’s order, made by the Commissioner under this subsection and to the making and adjudication of claims in respect of immovable property seized for the recovery of such sum. For the purpose of application of such provisions the sum so specified shall be deemed to be due on a decree entered by the court and the Commissioner shall be deemed to be the judgment-creditor and the person liable to pay such sum shall be deemed to be a judgment debtor.”.

17. Section 44 of the principal enactment is hereby amended by the substitution for the words “fraud or undue influence or other improper means,” of the words “fraud, undue influence or other improper means, or due to the miscalculation or underestimation of the amount of compensation payable to the workman under the memorandum of agreement,”.
18. Section 45 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “to a fine not exceeding one thousand rupees.” of the words “to a fine not exceeding one hundred thousand rupees.”.
19. Section 46 of the principal enactment is hereby amended by the substitution for the words “to a fine not exceeding one hundred rupees.” of the words “to a fine not exceeding one hundred thousand rupees.”.
20. Section 49 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “value of one hundred rupees” of the words “value of two thousand rupees”.
21. Section 52 of the principal enactment is hereby amended by the substitution for the words “The Court of Appeal”, of the words and figures “The High Court established under Article 154P of the Constitution”.
22. Section 53 of the principal enactment is hereby amended by the substitution, for the words “by the Court of Appeal”, of the words and figures “by the High Court established under Article 154P of the Constitution”.
23. Section 57 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “in the course of his employment,” of the words “in the course of his employment or by an accident took place while coming from his place of residence to the work place or while returning back to his place of residence from the work place.”.
24. Section 59 of the principal enactment is hereby amended by the substitution for the words “in the course of the employment,” of the words “in the course of his employment or by an accident took place while coming from his place of residence to the work place or while returning back to his place of residence from the work place,”.
25. Section 60A of the principal enactment is hereby amended by the substitution for the words “in the course of the employment,” of the words “in the course of the employment or by an accident took place while coming from his place of residence to the work place or while returning back to his place of residence from the work place,”.
26. Schedule I of the principal enactment is hereby repealed and the following Schedule substituted therefor:-

"SCHEDULE I

(section 2)

<i>Injury</i>	<i>Percentage of loss of earning capacity</i>
Permanent and incurable paralysis of the limbs or injuries resulting in being permanently bedridden	100
Permanent incurable loss of mental capacity resulting in fatal incapacity to work or any other injury causing fatal incapacity to work	100
Eye Injuries	
(i) Total loss of sight in both eyes	100
(ii) Total loss of sight in one eye	80
Hearing Injuries	
(i) Total loss of hearing	80
(ii) Total loss of hearing in one ear	50
Loss of Speech	
(i) Total loss of speech	100
Sensory Loss	
(i) Total loss of sense of smell and taste	60
(ii) Total loss of sense of smell	60
(iii) Total loss of sense of taste	60
Arm Injuries	
(i) Loss of arm at or above elbow	85
(ii) Loss of arm at or below elbow	80
Hand Injuries	
(i) Loss of both hands	100
(ii) Loss of hand or loss of thumb and four fingers	80
(iii) Loss of thumb (both phalanges)	50
(iv) Loss of thumb (one phalanx)	40
(v) Loss of four fingers	80
Loss of Index finger	
(i) Three phalanges	50
(ii) Two phalanges	40
(ii) One phalanx	20
Loss of middle, ring and little fingers	
(i) Three phalanges	30
(ii) Two phalanges	20
(ii) One phalanx	15
Loss of Leg	
(i) at or above knee	90
(ii) at or below knee	80
Foot Injuries	
(i) Loss of both feet	100
(ii) Loss of one foot	90

Loss of Toes

(i) Great toe-both phalanges	40
(ii) Great toe-one phalanx	20
(iii) Other than great toe, if more than one lost, each	20

Miscellaneous

(i) Total loss of genitals	75
(ii) Partial loss of genital	60
(iii) Severe facial scarring or disfigurement	90
(iv) Severe bodily disfigurement, other than facial scarring or disfigurement to a maximum of	60
(v) Loss of single tooth	10
(vi) Loss of any member or part thereof not mentioned above (e.g. nose, breast, ear etc.) to be assessed by a medical officer up to a maximum of	60."

27. Schedule IV of the principal enactment is hereby repealed and the following Schedule substituted therefor:—

"SCHEDULE IV

(Section 6)

Amount of Compensation Payable

Monthly wages of the workman injured		Death of workman	Permanent disablement of workman	Half monthly compensation for temporary disablement of workman
Rs.	Rs.	Rs.	Rs.	Rs.
0	10,000	1,140,000	1,200,000	5,000
10,001	12,500	1,180,000	1,240,000	5,625
12,501	15,000	1,220,000	1,280,000	6,875
15,001	17,500	1,260,000	1,320,000	8,125
17,501	20,000	1,300,000	1,360,000	9,375
20,001	22,500	1,340,000	1,400,000	10,625
22,501	25,000	1,380,000	1,440,000	11,875
25,001	27,500	1,420,000	1,480,000	13,125
27,501	30,000	1,460,000	1,520,000	14,375
30,001	35,000	1,510,000	1,570,000	16,250
35,001	40,000	1,560,000	1,630,000	18,750
40,001	45,000	1,610,000	1,680,000	21,250
45,001	50,000	1,660,000	1,730,000	23,750
50,001	55,000	1,710,000	1,780,000	26,250
55,001	60,000	1,760,000	1,830,000	28,750
60,001	70,000	1,820,000	1,890,000	32,500
70,001	80,000	1,880,000	1,960,000	37,500
80,001	90,000	1,940,000	2,000,000	42,500
90,001	100,000	2,000,000	2,000,000	47,500
100,000	and above	2,000,000	2,000,000	47,500

."

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

SURCHARGE TAX ACT, No. 14 OF 2022

[Certified on 08th of April, 2022]

AN ACT TO PROVIDE FOR THE IMPOSITION OF SURCHARGE TAX AND FOR MATTERS CONNECTED THEREWITH AND INCIDENTAL THERETO

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

1. This Act may be cited as the Surcharge Tax Act, No. 14 of 2022.
2. (1) There shall be levied, subject to the succeeding provisions of this Act, a tax to be called Surcharge Tax (hereinafter referred to as "the tax") from –

- (a) any individual, partnership or company, whose taxable income calculated in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017, exceeds rupees two thousand million, for the year of assessment commenced on April 1, 2020, at the rate of twenty five *per centum* on the taxable income of such individual, partnership or company, for such year of assessment:

Provided however, the income of a partner derived from a partnership shall not be taken into account when calculating the taxable income of such partner as an individual under this paragraph, if the tax has been paid by the partnership on such taxable income; and

- (b) each company of a group of companies, of which the aggregate of the taxable income of all subsidiaries and the holding company in that group of companies, calculated in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017, exceeds rupees two thousand million, for the year of assessment commenced on April 1, 2020, at the rate of twenty five *per centum*, on the taxable income of each such company after deducting the gains and profits from dividends received from a subsidiary which is part of such taxable income of each such company, for such year of assessment, notwithstanding that the taxable income of any one of such companies does not exceed rupees two thousand million:

Provided however, if a company is liable to pay the tax in terms of paragraph (b), such company shall not be liable to pay the tax in terms of paragraph (a).

- (2) In calculating the aggregate of the taxable income under paragraph (b) of subsection (1), any subsidiary or any holding company of such group of companies which has a nil amount of taxable income, due to losses or unrelieved losses, shall not be taken into account.
- (3) Where the Commissioner-General has approved an alternative period of twelve months under the provisions of the Inland Revenue Act, No. 24 of 2017, for the purpose of maintaining accounts of any company liable to pay the tax under this Act, such approved period shall be deemed to be the year of assessment commenced on April 1, 2020, for the purposes of this Act.
- (4) Every individual, partnership, company and the subsidiaries and the holding company of every group of company liable to pay the tax under this Act, shall pay the tax in two equal installments on or before, the twentieth day of April and twentieth day of July of 2022, to the Commissioner-General.
- (5) The tax shall be collected by the Commissioner-General and shall be remitted to the Consolidated Fund within fifteen days from the date of collection.
- (6) Notwithstanding any provision to the contrary in any other written law, –
 - (a) the tax levied under this Act shall be deemed to be an expenditure in the financial statement relating to the year of assessment commenced on April 1, 2020;
 - (b) no deduction shall be granted in calculating the taxable income under the Inland Revenue Act, No. 24 of 2017, for any year of assessment, for the payment of the tax under this Act;
 - (c) no deduction shall be granted in calculating the Value Added Tax on the supply of financial services under the Value Added Tax Act, No. 14 of 2002, for the payment of the tax under this Act.
- (7) For the purpose of this section "taxable income" –
 - (a) in relation to a company which has entered into an agreement with the Board of Investment of Sri Lanka under section 17 of the Board of Investment of Sri Lanka Law, No. 4 of 1978 and has become liable to income tax determined in accordance with such agreement, after the expiration of its period of tax exemption set out in such agreement means the profit before income tax of such company as per the audited financial statement;

- (b) in relation to an individual, a partnership, a company and the subsidiaries and the holding company of a group of companies other than the companies referred to in paragraph (a), shall have the same meaning assigned to such expression under section 3 of the Inland Revenue Act, No. 24 of 2017.
3. (1) Every individual, partnership, company and the subsidiaries and the holding company of every group of company chargeable with the tax under this Act shall on or prior to April 20, 2022, furnish in writing to the Commissioner-General, a tax return in the specified form containing such particulars as may be specified by the Commissioner-General.
- (2) The Commissioner-General shall specify –
- (a) the form for tax returns;
- (b) the information to be furnished on the tax return and attachments if any, required to be filed with the tax return; and
- (c) the manner of filing.
- (3) For the purpose of this Act, a tax return furnished under subsection (1) shall be treated as a “tax return” under the provisions of the Inland Revenue Act, No. 24 of 2017 and shall result in a self-assessment.
4. (1) Where any individual, partnership, company or the subsidiaries and the holding company of any group of companies is liable to pay the tax under this Act, fails to pay such tax, as provided for in this Act, such individual, partnership, company or subsidiaries and the holding company of the group of companies shall be deemed to be a defaulter of the tax under this Act.
- (2) It shall be lawful for an assessment to be made in the name of the partnership and the amounts thereon shall be recoverable out of the assets of the partnership, or from any partner, or from any agent of the partnership.
5. (1) Subject to the provisions of subsections (2) and (3), the provisions of Chapter IX, Chapter X, Chapter XI, Chapter XII, Chapter XIII, Chapter XIV, Chapter XV, Chapter XVI, Chapter XVII, Chapter XVIII of the Inland Revenue Act, No. 24 of 2017 shall, *mutatis mutandis*, be applicable to the administration, record keeping and information collection, tax returns, assessments, objections and appeals, liability for and payment of tax, interest, recovery of tax, penalties and criminal proceedings under this Act.
- (2) Every reference to income tax in any such provisions of the Inland Revenue Act, No.24 of 2017, shall be deemed to be a reference to the tax charged and levied in terms of the provisions of this Act.
- (3) Any default assessment, amended assessment or additional assessment shall not be made in respect of an individual, a partnership, a company or the subsidiaries and the holding company of a group of companies after the thirty first day of December, 2024:

Provided however, above time limit shall not apply for making any amended assessment based on a decision of objection or appeal.

6. In this Act, unless the context otherwise requires–

“Commissioner-General” shall have the same meaning assigned to such expression under the Inland Revenue Act, No. 24 of 2017;

“Company” shall have the same meaning assigned to such expression under the Inland Revenue Act, No. 24 of 2017 but does not include any Employees’ Trust Fund, Provident Fund, Pension Fund, Pension Trust Fund, Gratuity or Termination Fund including –

- (a) Employees’ Provident Fund established under section 2 of the Employees’ Provident Fund Act, No. 15 of 1958;
- (b) Employees’ Trust Fund established under section 3 of the Employees’ Trust Fund Act, No. 46 of 1980;
- (c) Ceylon Electricity Board Provident Fund and Ceylon Electricity Board Pension Fund established under paragraph (j) of section 12 of the Ceylon Electricity Board Act, No. 17 of 1969;
- (d) Universities Provident Fund established under section 90 of the Universities Act, No. 16 of 1978;
- (e) Mercantile Service Provident Society established under section 3 of the Chamber of Commerce Ordinance (Chapter 289);
- (f) Bank of Ceylon Provident Fund established by the Bank of Ceylon established under the Bank of Ceylon Ordinance (Chapter 397);
- (g) Hatton National Bank Employees’ Provident Fund established by the Hatton National Bank Public Limited Company incorporated under the Companies Act, No. 7 of 2007;

- (h) People's Bank Pension Trust Fund established under paragraph (l) of subsection (1) of section 5 of the People's Bank Act, No. 29 of 1961;
- (i) Sri Lanka Central Bank Employees' Pension Fund established under paragraph (b) of section 10 of the Monetary Law Act (Chapter 422)
- (j) Sri Lanka Telecom Provident Fund established by the Sri Lanka Telecom Public Limited Company incorporated under the Companies Act, No. 7 of 2007;
- (k) National Insurance Trust Fund established under section 3 of the National Insurance Trust Fund Act, No. 28 of 2006;
- (l) Bank of Ceylon Pension Trust Fund 2014 (Post 1996) established under the Trusts Ordinance (Chapter 87); and
- (m) any provident fund or contributory pension scheme approved by the Commissioner of Labour in terms of Part IV of the Employees' Provident Fund Act, No. 15 of 1958;

"group of companies" means a holding company and its subsidiaries;

"holding company" means a company which as at the Thirty First day of March 2021, owns more than fifty *per centum* of the shares with voting rights of another company, directly or indirectly, other than a holding company incorporated outside Sri Lanka and not registered under Chapter XVIII of the Companies Act, No.7 of 2007;

"partnership" shall have the same meaning assigned to such expression under the Inland Revenue Act, No. 24 of 2017;

"tax return" shall have the same meaning assigned to such expression under the Inland Revenue Act, No. 24 of 2017;

"subsidiary" means a company in which as at the Thirty First day of March 2021, more than fifty *per centum* of its shares with voting rights were owned by another company, directly or indirectly other than a subsidiary incorporated outside Sri Lanka and not registered under Chapter XVIII of the Companies Act, No.7 of 2007 of a holding company incorporated outside Sri Lanka and not registered under Chapter XVIII of the Companies Act;

"year of assessment" shall have the same meaning assigned to such expression under section 20 of the Inland Revenue Act, No. 24 of 2017.

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

Industrial Disputes (Amendment) Act, No. 22 of 2022

[Certified on 16th of September, 2022]

AN ACT TO AMEND THE INDUSTRIAL DISPUTES ACT (CHAPTER 131)

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

1. This Act may be cited as the Industrial Disputes (Amendment) Act, No. 22 of 2022.
2. Section 31DD of the Industrial Disputes Act (Chapter 131) (hereinafter referred to as the "principal enactment") is hereby amended by the insertion immediately after subsection (1) of that section of the following new subsections:-

"(1A) Where an employer who is dissatisfied with a final order of a High Court established under Article 154P of the Constitution which is in favour of a workman on an appeal made by such workman against any order of a tribunal, appeals to the Supreme Court against such order, he shall furnish to the President of such tribunal, a security in cash, where the order which is the subject of such appeal directs-

 - (a) only the payment of a sum of money to the workman of an amount equal to such sum;
 - (b) both the payment of a sum of money to the workman and re-instatement of such worker, of an amount equal to such sum and twelve times the monthly salary or wages of such workman at the time his services were terminated.

(1B) Every appeal preferred under subsection (1A), shall be supported by a certificate under the hand of the President of the Tribunal to the effect that the security as specified in subsection (1A) has been duly furnished by the employer.

(1C) The President of every Tribunal shall cause all moneys furnished as security under subsection (1A) to be deposited in an account bearing interests, in any approved bank in Sri Lanka."
3. The following new section is hereby inserted immediately after section 31DDDD of the principal enactment and shall have effect as section 31DDDDD of that enactment:-

- 31 DDDDD. (1) Where an application is preferred by an employer to the Court of Appeal, for the issue of an order in the nature of a writ, against an award made by an arbitrator under section 17(1) or by an industrial court under section 24, the Court of Appeal shall entertain such application upon furnishing a security by such employer, in cash to the Commissioner-General, where such award which is subject to such application directs the payment of a sum of money to the worker, of an amount equal to such sum.
- (2) The Commissioner-General shall cause to be deposited the sum as specified in subsection (1) in an account bearing interests, maintained by the Commissioner-General, in any approved bank in Sri Lanka.
- (3) Every application preferred under this subsection, shall be supported by a certificate under the hand of the Commissioner-General to the effect that the security as specified in subsection (1) has been duly furnished by such employer.”.
4. The following new section is hereby inserted immediately after section 33 of the principal enactment and shall have effect as section 33A of that enactment:—
- 33A. (1) Where an employer who is dissatisfied with an order of a Magistrate’s Court on any written complaint made by the Commissioner-General under section 136B of the Code of Criminal Procedure Act, No. 15 of 1979 against such employer, due to any failure to comply with an order of a tribunal, an award of an industrial court or an arbitrator which has been made in favor of a workman, makes an application to invoke the revisionary jurisdiction of the High Court established under Article 154P of the Constitution, in respect of such order, shall at the time of such application furnish to the relevant Magistrate’s Court, a security of an amount equal to such sum in cash, where the order which is the subject of such application directs the payment of a sum of money to the worker.
- (2) The Registrar of the Magistrate’s Court shall cause all moneys furnished as security under subsection (1), to be sent to the Commissioner-General to deposit in an account bearing interests, maintained by the Commissioner-General, in any approved bank in Sri Lanka.
- (3) Every application made under subsection (1) shall be supported by a certificate under the hand of the Registrar of the relevant Magistrate’s Court to the effect that the security as specified in subsection (1) has been duly furnished by such employer.
- (4) The Commissioner-General shall refund the sum furnished under subsection (1) together with the interest on that sum to the relevant party in accordance with the final order of the High Court established under Article 154P, the Court of Appeal or the Supreme Court, as the case may be.”.
5. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Termination of Employment of Workmen (Special Provisions) (Amendment) Act, No. 23 of 2022

[Certified on 16th of September, 2022]

AN ACT TO AMEND THE TERMINATION OF EMPLOYMENT OF WORKMEN (SPECIAL PROVISIONS) ACT, NO. 45 OF 1971

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

1. This Act may be cited as the Termination of Employment of Workmen (Special Provisions) (Amendment) Act, No. 23 of 2022.
2. Section 2 of the Termination of Employment of Workmen (Special Provisions) Act, No. 45 of 1971 (hereinafter referred to as the “principal enactment”) is hereby amended as follows:—
 - (1) in subsection (3) thereof, by the substitution for the words “fine not exceeding one thousand rupees” of the words “fine not exceeding twenty thousand rupees”;
 - (2) by the insertion immediately after subsection (3) thereof, of the following:—

“(3A)(1) Where an employer is convicted of an offence under subsection (3), such employer shall be liable, if he continuously fails to comply with the decision made by the Commissioner-General under subsection (2), to pay the workman, in addition to any fine imposed under subsection (3), an additional fine of five hundred rupees for each day on which the noncompliance is continued after the conviction.

(2) Where any employer fails to pay any sum payable to a workman under paragraph (e) of subsection (2), such amount may be recovered by an order of a Magistrate’s Court by which the employer was convicted as if it were a fine imposed on him by that court, and the amount recovered shall be paid to the workman.”.

3. Section 8 of the principal enactment is hereby amended in paragraph (a) of subsection (1) thereof, by the substitution for the words “a fine of fifty rupees” of the words “a fine of five hundred rupees”.
4. The following new sections are hereby inserted immediately after section 10 of the principal enactment and shall have effect as sections 10A and 10B of that enactment:—
 - 10A.(1) Where an employer is dissatisfied with an order of the Magistrate’s Court, such employer may make an application in revision by a written petition, against that order to the High Court established under Article 154P of the Constitution, to the Province within which such Magistrate’s Court is situated.
 - (2) Every employer who makes an application under subsection (1) shall furnish to such Magistrate’s Court, a security in cash where the order which is the subject of such application directs the payment of a sum of money to the workman, of an amount equal to such sum.
 - (3) Every application made under subsection (1) shall be supported by a certificate under the hand of the Registrar of the relevant Magistrate’s Court, to the effect that the security as specified in subsection (2) has been duly furnished by such employer.
 - (4) The Registrar of the Magistrate’s Court shall cause all such sum of money furnished as security under subsection (2), to be sent to the Commissioner General to deposit in an account bearing interest, maintained by the Commissioner General, in any approved bank in Sri Lanka.
 - 10B.(1) Where an employer is dissatisfied with an order made by Commissioner-General under section 6 or 6A, such employer may make an application to the Court of Appeal against such order for the issue of an order in the nature of a writ.
 - (2) Every employer who makes an application under subsection (1) for the issue of an order in the nature of a writ shall furnish to the Court of Appeal, a security in cash, where the order which is the subject of such application directs—
 - (a) both the payment of a sum of money as compensation and the reinstatement, of an amount of money, as salary or wages which is to be calculated from the date of such order to the date on which such workman shall be reinstated, and an amount of twelve times the monthly salary or wages of such workman for the reinstatement; and
 - (b) only the payment of a sum of money to the workman as compensation, of an amount equal to such sum.
 - (3) Every application for the issue of an order in the nature of a writ, made under subsection (1) shall be supported by a certificate under the hand of the Commissioner-General to the effect that the security as specified in subsection (2) has been duly furnished by such employer.
 - (4) The Commissioner-General shall cause to be deposited the sum as specified in subsection (2), in an account bearing interest, maintained by the Commissioner-General, in any approved bank in Sri Lanka.
 - (5) The Commissioner-General shall refund the sum furnished under subsection (2) together with the interest on such sum to the relevant party in terms of the final determination of the application to the Court of Appeal or the Supreme Court, as the case may be.”.
5. Section 14 of the principal enactment is hereby amended by the substitution for the words “fine not exceeding one thousand rupees” of the words “fine not exceeding twenty thousand rupees”.
6. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Powers of Attorney (Amendment) Act, No. 28 of 2022

[Certified on 25th of October, 2022]

AN ACT TO AMEND THE POWERS OF ATTORNEY ORDINANCE (CHAPTER 122)

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

1. This Act may be cited as the Powers of Attorney (Amendment) Act, No. 28 of 2022.
2. Section 2 of the Powers of Attorney Ordinance (Chapter 122) (hereinafter referred to as the “principal enactment”) is hereby amended –

- (1) by the repeal of the definition of the expression “power of attorney” and the substitution therefor of the following definition:-
- “power of attorney” means any written power or authority other than that given to an attorney at law for the purpose of appearing as an attorney at law on behalf of such person, given by one person to another, to represent him, to perform any work, do any act, or carry on any trade or business, and -
- (a) if it is executed in Sri Lanka, executed before two witnesses and attested by a notary public; or
- (b) if it is executed outside Sri Lanka, executed before two witnesses and an Ambassador, or a High Commissioner, or a Diplomatic Officer or a Consular Officer within the meaning of the Consular Functions Act, No. 4 of 1981 or a person who is authorized to attest such power of attorney according to the law of that country;
- (2) by the repeal of the definition of the expression “Registrar General” and the substitution therefor of the following definition:-
- “Registrar General” includes the Registrar General of Title, a Senior Deputy Registrar General, a Deputy Registrar General, an Assistant Registrar General and any person who for the time being is lawfully discharging the duties of the Registrar General, the Registrar General of Title, the Senior Deputy Registrar General, the Deputy Registrar General or the Assistant Registrar General.”.
3. Section 3 of the principal enactment is hereby repealed and the following section is substituted therefor:-
3. (1) (a) Every power of attorney executed in Sri Lanka or any other country shall be registered with the Registrar General.
- (b) Every power of attorney holder (hereinafter referred to as the “attorney”) shall submit his power of attorney for registration, if it is executed in Sri Lanka within one month and if it is executed outside Sri Lanka within three months, from the date of execution of the power of attorney together with –
- (i) a copy thereof certified by a notary public to be a true copy; and
- (ii) an affidavit made as specified in Schedule I hereto.
- (2) The Registrar General shall, upon being satisfied as to the correctness of the power of attorney referred to in subsection (1), register the power of attorney and file such certified copy and shall endorse upon such certified copy and the original power of attorney, the registration number and the date thereof, together with a reference to the volume and folio wherein such registration is recorded and shall return the original power of attorney to the person producing the same.
- (3) Such registration shall be recorded in a book maintained by the Registrar General which is to be kept in the form specified in the Schedule II hereto.”.
4. The following new sections are hereby inserted immediately after section 3 of the principal enactment and shall have effect as sections 3A, 3B, 3C and 3D, of that enactment: -
- 3A. (1) A power of attorney granted to be used for the purpose of a transaction which falls within the scope of section 2 of the Prevention of Frauds Ordinance (Chapter 70) shall be executed subject to the provisions specified in subsection (2) or (3), as the case may be.
- (2) If a power of attorney specified in subsection (1) is executed in Sri Lanka, it shall -
- (a) be duly attested by a notary public in accordance with the Notaries Ordinance (Chapter 107) and the Prevention of Frauds Ordinance;
- (b) contain a description of the land or land parcel as the case may be, with metes and bounds, and the extent, in the case of a land or land parcel;
- (c) contain a description of the condominium parcel with other elements by which it can be identified, and a description of the whole land where the condominium parcel cannot be identified in the case of a condominium property;
- (d) contain a reference to the volume and the folio in which the land or land parcel or condominium parcel, relating to the transaction is registered in the case of a land or land parcel or condominium parcel with prior registration;
- (e) bear the left or right thumb impression of the grantor and where both thumbs of the grantor are missing, the impression of any other finger from either the left or the right hand of the grantor, in addition to his signature and where both his hands are missing, he shall place his toe impression, in the presence of the notary public and the witnesses; and
- (f) be accompanied with a copy of the bio page of the passport, National Identity Card or driving license of the grantor and attorney of such power of attorney certified by the notary public.

- (3) If a power of attorney specified in subsection (1) is executed outside Sri Lanka, it shall -
- (a) be duly executed before a person authorized under section 2 of this Act;
 - (b) contain a description of the land or land parcel as the case may be with metes and bounds and the extent in the case of a land or land parcel;
 - (c) contain a description of the condominium parcel with other elements by which it can be identified, and a description of the whole land where the condominium parcel cannot be identified in the case of a condominium property;
 - (d) contain a reference to the volume and folio in which the land or land parcel or condominium parcel relating to the transaction, is registered, in the case of a land or land parcel or condominium parcel with prior registration; and
 - (e) be accompanied with a copy of the bio page of the passport of the grantor signed by such grantor and a copy of the bio page of the passport, National Identity Card or driving license of the attorney of such power of attorney certified by a notary public.
- 3B. (1) Every notary public who attests a deed or instrument in terms of the Notaries Ordinance in respect of a transaction referred to in section 3A of this Act, shall -
- (a) examine the relevant volumes and folios in the Registrar General's department;
 - (b) be satisfied that the power of attorney has not been revoked or cancelled and shall state such fact in his attestation; and
 - (c) retain the copies of the National Identity Card or the driving license or the bio page of the passport, as the case may be, of the grantor and the attorney, and a copy of the power of attorney.
- (2) For the avoidance of doubt, it is declared that it shall be sufficient for the notary public who attests such deed or instrument to examine the relevant volumes and the folios in the Registrar General's department in order to determine whether such power of attorney has been revoked or cancelled.
- 3C. A power of attorney other than a power of attorney executed by a State institution shall be valid, only for a period of five years from the date of execution, unless the period of validity of such power of attorney is specified in such power of attorney or until such power of attorney is revoked or cancelled in accordance with the provisions of section 4.
- 3D. A person other than a State institution shall not execute an irrevocable power of attorney."
5. Section 4 of the principal enactment is hereby repealed and the following section is substituted therefor: -
4. (1) Where the grantor of any power of attorney wishes to revoke or cancel a power of attorney or where the attorney of any power of attorney does not wish to act under such power of attorney, such grantor or attorney as the case may be, shall -
- (a) notify the other party of such intention;
 - (b) execute a notarially executed document declaring his intention of revoking or cancelling the power of attorney or expressing his intention not to act under that power of attorney, as the case may be; and
 - (c) submit such document referred to in paragraph (b) to the Registrar General, to register the same in the relevant volume and folio with cross reference to the volume and folio in which such power of attorney was registered.
- (2) (a) If the grantor of any power of attorney requires to revoke or cancel his power of attorney with immediate effect, until such document referred to in paragraph (b) of subsection (1) is executed and tendered to the Registrar General, the grantor or his attorney at law may notify his intention of revocation or cancellation to the Registrar General, by a notice in duplicate in the form specified in Schedule III:
- Provided however, such notice shall be valid only for a period of three months from the date of the notice.
- (b) Upon the receipt of such a notice referred to in paragraph (a), the Registrar General, shall make an endorsement of the intention of such revocation or cancellation in the relevant volumes and the folios."
6. Section 5 of the principal enactment is hereby amended by the substitution for the words "prescribed in the Schedule." of the words "prescribed in Schedule II."
7. The Schedule of the principal enactment is hereby repealed and the following Schedules are substituted therefor: -

[Section 3(1)]

“SCHEDULE I

I (holder of National Identity Card No.),of No.being a do hereby sincerely, solemnly and truly declare and affirm/swear and state as follows:-

- (1) I am the deponent/affirmant above named.
- (2) I declare/ affirm that(holder of National Identity Card No.) of No. has executed a power of attorney bearing No. dated attested byNotary Public, appointing me as his/ her attorney for the purpose mentioned therein.
- (3) That the said power of attorney is genuine and still in force and I believe that the grantor is alive.

The foregoing affidavit having been read over and explained to the above named and having understood the condents thereof signed and affirmed/ sworn to at on this day of

}
attorney

Before me
Justice of the Peace/Commissioner for Oaths

[sections 3(3) and 5]

SCHEDULE II

Serial No :	
Date of Registration :	
Name and address of the grantor :	
Name and address of the attorney :	
Date of power of attorney :	
By whom the power of attorney is produced for the registration :	
Volume and Folio where the power of attorney is registered :	
Date and number of notarially executed document of revocation or cancellation :	
By whom notarially executed document of revocation or cancellation given :	
Volume and Folio where notarially executed document of revocation or cancellation is registered:	

[section 4(2)]

SCHEDULE III

Registrar General,
Registrar General’s Department,
.....

Take notice under the Powers of Attorney Ordinance that I, (name of the grantor) of(address) intend to present to you for the registration within three months from the date of this notice, an instrument cancelling the power of attorney registered in theunder the Day Book No. Volume Folio..... of the register of the power of attorney.

At on this day of

Signature of the grantor or attorney
at law of the grantor

signed in the presence of -

1. Signature :-
Full name :-
NIC :-
Address :-
2. Signature :-
Full name :-
NIC :-
Address :-".
8. (1) Notwithstanding anything to the contrary in the principal enactment and in the provisions of this Act -
 - (a) every power of attorney executed prior to the date of commencement of this Act which has not been registered under the provisions of section 3 of the principal enactment and which has not been revoked or cancelled on or prior to the date of commencement of this Act, shall, within a period of six months from the date of commencement of this Act, be submitted for registration to the Registrar General;
 - (b) every power of attorney executed prior to the date of commencement of this Act which has been registered under the provisions of section 3 of the principal enactment and has not been revoked or cancelled on or prior to the date of commencement of this Act, shall, continue to be valid and effectual until revoked or cancelled under section 4 of this Act;
 - (c) every power of attorney executed prior to the date of commencement of this Act which has been submitted for registration to the Registrar General, and pending registration under the provisions of section 3 of the principal enactment on the date of commencement of this Act, shall be registered by the Registrar General.
- (2) Every power of attorney referred to in paragraph (a) of subsection (1) which is not submitted for registration within the period specified in that paragraph shall be deemed to be null and void, with effect from the date of expiration of that period.
9. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Prevention of Frauds (Amendment) Act, No. 30 of 2022

[Certified on 25th of October, 2022]

AN ACT TO AMEND THE PREVENTION OF FRAUDS ORDINANCE (CHAPTER 70)

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

1. This Act may be cited as the Prevention of Frauds (Amendment) Act, No. 30 of 2022.
2. Section 2 of the Prevention of Frauds Ordinance (Chapter 70) (hereinafter referred to as the "principal enactment") is hereby amended by the repeal of all the words from "shall be of force" to the end of that section and the substitution therefore of the following:-

"shall be in force or avail in law unless –

 - (a) the relevant deed or instrument shall be in writing, signed by every executant and attested by a notary public before two witnesses present at the same time; and
 - (b) the left or right thumb impression of every such executant or where both thumbs of such executant are missing, the impression of any other finger or the toe impression as the case may be, is affixed above or besides the signature to the original, duplicate and the protocol of the relevant deed or instrument:

Provided however, in the event the signature or the thumb impression of any such executant cannot be obtained due to any reason, the notary public shall state such reason in the attestation, and such executant shall affix any other finger impression or toe impression, as the case may be.";
3. Section 4 of the principal enactment is hereby amended as follows:-
 - (1) by the renumbering of that section as subsection (1);

- (2) by the repeal of all the words from “in the manner hereinafter mentioned;” to the end of renumbered subsection (1) of that section and the substitution thereof of the words “subject to the provisions specified in subsection (2);
- (3) by the addition immediately after subsection (1) of that section, the following new subsection: -
- “(2) The testator shall –
- (a) sign; and
- (b) affix his left or right thumb impression,
- at the foot or end of the will, testament or codicil referred to in subsection (1), before a notary public and two witnesses who shall be present at the same time:
- Provided however, in the event the thumb impression of the testator cannot be obtained due to any reason, he shall affix any other finger impression or the toe impression, as the case may be.
4. Section 7 of the principal enactment is hereby amended as follows: –
- (1) by the substitution for the words “signature of the testator or testatrix”, of the words “signature and the left or right thumb impression or any other finger impression or the toe impression as the case may be, of the testator ”;
- (2) by the insertion immediately after that section of the following proviso:-
- “Provided however that, in the event the signature or left or right thumb impression or any other finger impression as the case may be, of the testator cannot be obtained due to any reason, the testator shall affix his toe impression and the notary public shall state such reason in his attestation.”.
5. Section 16 of the principal enactment is hereby amended as follows:-
- (1) by the substitution for the word “duplicate.” of the word “triplicate.”; and
- (2) by the repeal of the marginal note thereof and the substitution therefore of the following: -
- “Deeds to be executed in Triplicate”
6. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

TWENTY FIRST AMENDMENT TO THE CONSTITUTION

[Certified on 31st of October, 2022]

AN ACT TO AMEND THE CONSTITUTION OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

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

1. This Act may be cited as the Twenty First Amendment to the Constitution.
2. Chapter VIIA of the Constitution of the Democratic Socialist Republic of Sri Lanka (in this Act referred to as the “Constitution”) is hereby repealed and the following Chapter is substituted therefor:-

“CHAPTER VIIA

The Constitutional Council

- 41A.(1) There shall be a Constitutional Council (in this Chapter referred to as the “Council”) which shall consist of the following members:-
- (a) the Prime Minister;
 - (b) the Speaker;
 - (c) the Leader of the Opposition in Parliament;
 - (d) one Member of Parliament appointed by the President;
 - (e) five persons appointed by the President, upon being nominated as follows:-
 - (i) one Member of Parliament nominated by agreement of the majority of the Members of Parliament representing the Government;

- (ii) one Member of Parliament nominated by agreement of the majority of the Members of Parliament of the political party or independent group to which the Leader of the Opposition belongs; and
 - (iii) three persons nominated by the Speaker by agreement of the Prime Minister and the Leader of the Opposition; and
 - (f) one Member of Parliament nominated by agreement of the Members of Parliament other than those representing the Government and those belonging to the political party or independent group to which the Leader of the Opposition belongs, and appointed by the President.
- (2) The Speaker shall be the Chairman of the Council.
- (3) It shall be the duty of the Speaker to ensure that nominations for appointments under sub-paragraph (e) or sub-paragraph (f) of paragraph (1) are made, whenever an occasion for such nominations arises.
- (4) In nominating the five persons referred to in sub-paragraph (e) of paragraph (1), the Prime Minister, the Speaker and the Leader of the Opposition or the Members of Parliament, as the case may be, shall ensure that the Council reflects the pluralistic character of Sri Lankan society, including professional and social diversity.
- (5) The persons who are not Members of Parliament to be appointed under sub-paragraph (e) of paragraph (1) shall be persons of eminence and integrity who have distinguished themselves in public or professional life and who are not members of any political party whose nomination shall be approved by Parliament.
- (6) The President shall, within fourteen days of the receipt of a written communication specifying the nominations made under subparagraphs (e) and (f) of paragraph (1), make the necessary appointments.
- (7) (a) On the dissolution of Parliament, notwithstanding the provisions of paragraph (2) of Article 64, the Speaker shall continue to hold office as a member of the Council, until a Member of Parliament is elected to be the Speaker under paragraph (1) of the aforesaid Article.
- (b) Notwithstanding the dissolution of Parliament, the Prime Minister, the Leader of the Opposition and the Members of Parliament who are members of the Council, shall continue to hold office as Members of such Council, until such time after a General Election following such dissolution, a Member of Parliament is appointed as the Prime Minister or recognized as the Leader of the Opposition or such number of Members of Parliament are appointed as Members of the Council under sub-paragraphs (d), (e) and (f) of paragraph (1), as the case may be.
- (8) (a) The member of the Council appointed under sub-paragraph (d) of paragraph (1), shall hold office for a period of three years from the date of appointment unless the member earlier resigns his office by writing addressed to the President or is removed from office by the President.
- (b) Every member of the Council appointed under sub-paragraphs (e) and (f) of paragraph (1) shall hold office for a period of three years from the date of appointment unless the member earlier resigns his office by writing addressed to the President or is removed from office by the President on a resolution passed by the majority of the Members of Parliament (including those not present) voting in its favour on the grounds of physical or mental incapacity and is unable to function further in office or is convicted by a court of law for any offence involving moral turpitude or if a resolution for the imposition of civic disability upon him has been passed in terms of Article 81 of the Constitution or is deemed to have vacated his office under paragraph (7) of Article 41E.
- (9) In the event of there being a vacancy among the members appointed under subparagraph (d), (e) or (f) of paragraph (1), the President shall, within fourteen days of the occurrence of such vacancy and having regard to the provisions of the aforementioned subparagraphs, appoint another person to succeed such member. Any person so appointed, shall hold office during the unexpired part of the period of office of the member whom he succeeds.
- (10) A member appointed under subparagraph (d), (e) or (f) of paragraph (1), shall not be eligible for re-appointment.
- (11) The appointments made by the President under sub-paragraphs (d), (e) and (f) of paragraph (1), shall be communicated to the Speaker.
- 41B.(1) No person shall be appointed by the President as the Chairman or a member of any of the Commissions specified in the Schedule to this Article, except on a recommendation of the Council.
- (2) The provisions of paragraph (1) of this Article shall apply in respect of any person appointed to act as the Chairman or as a member of any such Commission.

- (3) It shall be the duty of the Council to recommend to the President fit and proper persons for appointment as Chairmen or members of the Commissions specified in the Schedule to this Article, whenever the occasion for such appointments arises, and such recommendations shall endeavour to ensure that such recommendations reflect the pluralistic character of Sri Lankan society, including gender. In the case of the Chairmen of such Commissions, the Council shall recommend three persons for appointment, and the President shall appoint one of the persons recommended as Chairman.
- (4) The President shall appoint the Chairmen and the members of the Commissions specified in the Schedule to this Article, within fourteen days of receiving the recommendations of the Council for such appointments.
- (5) No person appointed under paragraph (1) or a person appointed to act as the Chairman or a member of any such Commission, shall be removed except as provided for in the Constitution or in any written law, and where there is no such provision, such person shall be removed by the President only with the prior approval of the Council.
- (6) All the Commissions referred to in the Schedule to this Article shall be responsible and answerable to Parliament.

SCHEDULE

- (a) The Election Commission.
 - (b) The Public Service Commission.
 - (c) The National Police Commission.
 - (d) The Audit Service Commission.
 - (e) The Human Rights Commission of Sri Lanka.
 - (f) The Commission to Investigate Allegations of Bribery or Corruption.
 - (g) The Finance Commission.
 - (h) The Delimitation Commission.
 - (i) The National Procurement Commission.
- 41C.(1) No person shall be appointed by the President to any of the Offices specified in the Schedule to this Article, unless such appointment has been approved by the Council upon a recommendation made to the Council by the President.
- (2) The provisions of paragraph (1) of this Article shall apply in respect of any person appointed to act for a period exceeding fourteen days, in any Office specified in the Schedule to this Article:
 Provided that no person shall be appointed to act in any such office for successive periods not exceeding fourteen days, unless such acting appointment has been approved by the Council on a recommendation by the President.
 - (3) No person appointed to any Office specified in the Schedule to this Article or to act in any such Office, shall be removed from such Office except as provided for in the Constitution or in any law.
 - (4) In the discharge of its function relating to the appointment of Judges of the Supreme Court and the President and Judges of the Court of Appeal, the Council shall obtain the views of the Chief Justice.

SCHEDULE

PART I

- (a) The Chief Justice and the Judges of the Supreme Court.
- (b) The President and the Judges of the Court of Appeal.
- (c) The Members of the Judicial Service Commission, other than the Chairman.

PART II

- (a) The Attorney-General.
 - (b) The Governor of the Central Bank of Sri Lanka.
 - (c) The Auditor-General.
 - (d) The Inspector-General of Police.
 - (e) The Parliamentary Commissioner for Administration (Ombudsman).
 - (f) The Secretary-General of Parliament.
- 41D.(1) There shall be a Secretary-General to the Council who shall be appointed by the Council for a term of three years. Upon the expiration of his term of office, the Secretary-General shall be eligible for reappointment.

- (2) The Council may appoint such officers as it considers necessary for the discharge of its functions, on such terms and conditions as may be determined by the Council.
- 41E. (1) The Council shall meet at least twice every month, and as often as may be necessary to discharge the functions assigned to the Council by the provisions of this Chapter or by any law, and such meetings shall be summoned by the Secretary-General to the Council on the direction of the Chairman of the Council.
- (2) The Chairman shall preside at all meetings of the Council and in the absence of the Chairman, the Prime Minister, and in the absence of the Prime Minister, the Leader of the Opposition shall preside at the meetings of the Council.
- (3) The quorum for any meeting of the Council shall be five members.
- (4) The Council shall endeavour to make every recommendation, approval or decision it is required to make by unanimous decision and in the absence of a unanimous decision, no recommendation, approval or decision made by the Council shall be valid, unless supported by not less than five members of the Council present at such meeting.
- (5) The Chairman or the other member presiding shall not have an original vote, but in the event of an equality of votes on any question for decision at any meeting of the Council, the Chairman or other member presiding at such meeting, shall have a casting vote.
- (6) The procedure in regard to meetings of the Council and the transaction of business at such meetings shall be determined by the Council, including procedures to be followed in regard to the recommendation or approval of persons suitable for any appointment under Article 41B or Article 41C.
- (7) Any member of the Council appointed under sub-paragraph (d), (e) or (f) of paragraph (1) of Article 41A, who without obtaining prior leave of the Council absents himself from three consecutive meetings of the Council, shall be deemed to have vacated office with effect from the date of the third of such meetings.
- (8) The Council shall have the power to act notwithstanding the fact that it has not been fully constituted or that there is a vacancy in its membership. No act, proceeding or decision of the Council carried out or made by the majority vote of the members shall be or deemed to be invalid by reason only of the fact that the Council has not been fully constituted or that there has been a vacancy in its membership or that there has been any defect in the appointment of a member.
- 41F. Notwithstanding the expiration of the term of office of the members of the Council or of the members of any Commission specified in the Schedule to Article 41B, the members of the Council or of such other Commission shall continue in office until the assumption of office by the new members of the Council or of such other Commission.
- 41G. (1) The Council shall, once in every three months, submit to the President and Parliament a report of its activities during the preceding three months.
- (2) The Council shall perform and discharge such other duties and functions as may be imposed or assigned to the Council by the Constitution, or by any other written law.
- (3) The Council shall have the power to make rules relating to the performance and discharge of its duties and functions. All such rules shall be published in the *Gazette* and be placed before Parliament within three months of such publication.
- 41H. The expenses incurred by the Council shall be charged on the Consolidated Fund.
- 41J. Subject to the provisions of Article 126, no court shall have the power or jurisdiction to entertain, hear or decide or call in question, on any ground whatsoever, or in any manner whatsoever, any decision of the Council or any approval or recommendation made by the Council, which decision, approval or recommendation shall be final and conclusive for all purposes.”.
3. Chapter VIII of the Constitution is hereby repealed and the following Chapter is substituted therefor:-

“CHAPTER VIII

THE EXECUTIVE

THE CABINET OF MINISTERS

42. The President shall be responsible to Parliament for the due exercise, performance and discharge of his powers, duties and functions under the Constitution and any written law, including the law for the time being relating to public security.
43. (1) There shall be a Cabinet of Ministers charged with the direction and control of the Government of the Republic.

- (2) The Cabinet of Ministers shall be collectively responsible and answerable to Parliament.
- (3) The President shall be a member of the Cabinet of Ministers and shall be the Head of the Cabinet of Ministers:
Provided that, notwithstanding the dissolution of the Cabinet of Ministers under the provisions of the Constitution, the President shall continue in office.
- (4) The President shall appoint as Prime Minister the Member of Parliament, who, in the President's opinion, is most likely to command the confidence of Parliament.
44. (1) The President shall, in consultation with the Prime Minister, where he considers such consultation to be necessary, determine the number of Ministers of the Cabinet of Ministers and the Ministries and the assignment of subjects and functions to such Ministers.
- (2) The President shall, in consultation with the Prime Minister, appoint from among Members of Parliament, Ministers, to be in charge of the Ministries so determined.
- (3) The President shall be the Minister in charge of the subject of Defence and may exercise, perform and discharge the powers, duties and functions of any Minister of the Cabinet of Ministers or any Minister who is not a member of the Cabinet of Ministers, subject to the provisions of the Constitution, for not exceeding fourteen days during a period within which any subject or function is not assigned to any such Minister under the provisions of paragraph (1) of this Article or under paragraph (1) of Article 45 and accordingly, any reference in the Constitution or any written law to the Minister to whom such subject or function is assigned, shall be read and construed as a reference to the President:
Provided however, preceding provisions of this paragraph shall not preclude the President from assigning any subject or function to himself in consultation with the Prime Minister and accordingly, any reference in the Constitution or any written law to the Minister to whom such subject or function is assigned, shall be read and construed as a reference to the President.
- (4) The President may at any time change the assignment of subjects and functions and the composition of the Cabinet of Ministers. Such changes shall not affect the continuity of the Cabinet of Ministers and the continuity of its responsibility to Parliament.
45. (1) The President may, in consultation with the Prime Minister, appoint from among Members of Parliament, Ministers who shall not be members of the Cabinet of Ministers.
- (2) The President may, in consultation with the Prime Minister where he considers such consultation to be necessary, determine the assignment of subjects and functions to Ministers appointed under paragraph (1) of this Article and the Ministries, if any, which are to be in charge of, such Ministers.
- (3) The President may at any time change any assignment made under paragraph (2).
- (4) Every Minister appointed under paragraph (1) shall be responsible and answerable to the Cabinet of Ministers and to Parliament.
- (5) Any Minister of the Cabinet of Ministers may, by Notification published in the *Gazette*, delegate to any Minister who is not a member of the Cabinet of Ministers, any power or duty pertaining to any subject or function assigned to such Cabinet Minister, or any power or duty conferred or imposed on him by any written law, and it shall be lawful for such other Minister to exercise and perform any power or duty delegated notwithstanding anything to the contrary in the written law by which that power or duty is conferred or imposed on such Minister of the Cabinet of Ministers.
46. (1) The President may, in consultation with the Prime Minister, appoint from among Members of Parliament, Deputy Ministers to assist Ministers of the Cabinet of Ministers in the performance of their duties.
- (2) Any Minister of the Cabinet of Ministers may, by Notification published in the *Gazette*, delegate to his Deputy Minister, any power or duty pertaining to any subject or function assigned to him or any power or duty conferred or imposed on him by any written law, and it shall be lawful for such Deputy Minister to exercise and perform any power or duty delegated notwithstanding anything to the contrary in the written law by which that power or duty is conferred or imposed on such Minister.
47. (1) The total number of—
- (a) Ministers of the Cabinet of Ministers shall not exceed thirty; and
- (b) Ministers who are not members of the Cabinet of Ministers and Deputy Ministers shall not, in the aggregate, exceed forty.

- (2) The Prime Minister shall continue to hold office throughout the period during which the Cabinet of Ministers continues to function under the provisions of the Constitution unless he—
- is removed by a writing under the hand of the President;
 - resigns his office by a writing under his hand addressed to the President; or
 - ceases to be a Member of Parliament.
- (3) A Minister of the Cabinet of Ministers, a Minister who is not a member of the Cabinet of Ministers and a Deputy Minister, shall continue to hold office throughout the period during which the Cabinet of Ministers continues to function under the provisions of the Constitution unless he—
- is removed from office under the hand of the President in consultation with the Prime Minister;
 - resigns from office by a writing under his hand addressed to the President; or
 - ceases to be a Member of Parliament.
- (4) Notwithstanding anything contained in paragraph (1) of this Article, where the recognized political party or the independent group which obtains highest number of seats in Parliament forms a National Government, the number of Ministers in the Cabinet of Ministers, the number of Ministers who are not Cabinet of Ministers and the number of Deputy Ministers shall be determined by Parliament.
- (5) For the purpose of paragraph (4), National Government means, a Government formed by the recognized political party or the independent group which obtains the highest number of seats in Parliament together with the other recognized political parties or the independent groups.
48. (1) The Cabinet of Ministers functioning immediately prior to the dissolution of Parliament shall, notwithstanding such dissolution, continue to function and shall cease to function upon the conclusion of the General Election and accordingly, the Prime Minister and the Ministers of the Cabinet of Ministers, shall continue to function unless they cease to hold office as provided in sub-paragraph (a) of paragraph (2) or sub-paragraph (a) or (b) of paragraph (3) of Article 47 and shall comply with the criteria set out by the Commissioner-General of Elections and shall not cause any undue influence on the General Election.
- (2) Notwithstanding the death, removal from office or resignation of the Prime Minister, during the period intervening between the dissolution of Parliament and the conclusion of the General Election, the Cabinet of Ministers shall continue to function with the other Ministers of the Cabinet of Ministers as its members, until the conclusion of the General Election. The President may appoint one such Minister to exercise, perform and discharge the powers, duties and functions of the Prime Minister.
- (3) On the death, removal from office or resignation, during the period intervening between the dissolution of Parliament and the conclusion of the General Election, of a Minister of the Cabinet of Ministers, the President may, in consultation with the Prime Minister, appoint any other Minister to be the Minister in charge of the Ministry of such Minister or to exercise, perform and discharge the powers, duties and functions of such Minister.
49. (1) On the Prime Minister ceasing to hold office by death, resignation or otherwise, except during the period intervening between the dissolution of Parliament and the conclusion of the General Election, the Cabinet of Ministers shall, unless the President has in the exercise of his powers under Article 70, dissolved Parliament, stand dissolved and the President shall appoint a Prime Minister, Ministers of the Cabinet of Ministers, Ministers who are not members of the Cabinet of Ministers and Deputy Ministers in terms of Articles 43, 44, 45 and 46:
- Provided that if after the Prime Minister so ceases to hold office, Parliament is dissolved, the Cabinet of Ministers shall continue to function with the other Ministers of the Cabinet as its members, until the conclusion of the General Election. The President may appoint one such Minister to exercise, perform and discharge the powers, duties and functions of the Prime Minister, and the provisions of Article 48 shall, *mutatis mutandis*, apply.
- (2) If Parliament rejects the Statement of Government Policy or the Appropriation Bill or passes a vote of no-confidence in the Government, the Cabinet of Ministers shall stand dissolved, and the President shall, unless he has in the exercise of his powers under Article 70, dissolved Parliament, appoint a Prime Minister, Ministers of the Cabinet of Ministers, Ministers who are not members of the Cabinet of Ministers and Deputy Ministers in terms of Articles 43, 44, 45 and 46.
50. Whenever a Minister of the Cabinet of Ministers, a Minister who is not a member of the Cabinet of Ministers or a Deputy Minister is unable to discharge the functions of his office, the President may, in consultation with the Prime Minister, appoint

any Member of Parliament to act in the place of such Minister of the Cabinet of Ministers, Minister who is not a member of the Cabinet of Ministers or a Deputy Minister.

51. (1) (a) There shall be a Secretary to the Prime Minister who shall be appointed by the President.
- (b) The Secretary shall have charge of the office of the Prime Minister and shall perform and discharge the duties and functions of his office, subject to the directions of the Prime Minister.
- (2) (a) There shall be a Secretary to the Cabinet of Ministers who shall be appointed by the President.
- (b) The Secretary shall, subject to the direction of the President, have charge of the office of the Cabinet of Ministers, and shall discharge and perform such other functions and duties as may be assigned to him by the President or the Cabinet of Ministers.
52. (1) There shall be a Secretary for every Ministry of a Minister of the Cabinet of Ministers, who shall be appointed by the President.
- (2) The Secretary to a Ministry shall, subject to the direction and control of his Minister, exercise supervision over the departments of government and other institutions in charge of the Minister.
- (3) Notwithstanding the dissolution of the Cabinet of Ministers under the provisions of the Constitution, the Secretary to a Ministry shall continue to hold office until a new Secretary is appointed to such Ministry, in terms of the provisions of the Constitution:
- Provided however, the Secretary to a Ministry shall cease to hold office upon a determination by the President under Article 44 or 45 which results in such Ministry ceasing to exist.
- (4) For the purposes of this Article, the office of the Secretary to the President, the office of the Secretary to the Cabinet of Ministers, the office of the Auditor-General, the office of the Parliamentary Commissioner for Administration (Ombudsman), the office of the Secretary-General of Parliament, the Constitutional Council, and the Commissions referred to in the Schedule to Article 41b shall be deemed not to be departments of Government.
53. A person appointed to any office referred to in this Chapter shall not enter upon the duties of his office until such person takes and subscribes the oath or makes and subscribes the affirmations set out in the Fourth Schedule and Seventh Schedule.”.
4. Article 54 of the Constitution is hereby amended as follows:-
- (1) by the repeal of paragraph (1) of that Article and the substitution therefor of the following paragraph:-
- “(1) There shall be a Public Service Commission (in this Chapter referred to as the “Commission”) which shall consist of nine members appointed by the President on the recommendation of the Constitutional Council, of whom not less than three members shall be persons who have had over fifteen years experience as a public officer. The President on the recommendation of the Constitutional Council shall appoint one member as its Chairman.”;
- (2) by the repeal of paragraph (4) of that Article and the substitution therefor of the following paragraph:-
- “(4) Every member of the Commission shall hold office for a period of three years from the date of appointment, unless the member becomes subject to any disqualification under paragraph (2) or earlier resigns from his office by writing addressed to the President or is removed from office by the President with the approval of the Constitutional Council or is convicted by a court of law of any offence involving moral turpitude or if a resolution for the imposition of civic disability upon the member has been passed in terms of Article 81 or is deemed to have vacated his office under paragraph (6).”;
- (3) by the substitution, in paragraph (7) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the recommendation of the Constitutional Council,”.
5. Article 61E of the Constitution is hereby amended, in paragraph (b) of that Article, by the substitution for the words and figures “subject to the provisions of Article 41A,” of the words “on the approval of the Constitutional Council,”.
6. Article 61F of the Constitution is hereby repealed and the following Article is substituted therefor:-
- 61F. For the purposes of this Chapter, “public officer” does not include a member of the Army, Navy or Air Force, an officer of the Election Commission appointed by such Commission, a police officer appointed by the National Police Commission, a scheduled public officer appointed by the Judicial Service Commission or a member of the Sri Lanka State Audit Service appointed by the Audit Service Commission.”.

7. Article 65 of the Constitution is hereby amended as follows:-
- (1) by the substitution, in paragraph (1) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the approval of the Constitutional Council,”; and
 - (2) by the repeal of paragraph (6) of that Article, and the substitution therefor of the following paragraph:-
“(6) Whenever the Secretary-General is unable to discharge the functions of his office, the President may, subject to the approval of the Constitutional Council, appoint a person to act in the place of the Secretary-General.”.
8. Article 91 of the Constitution is hereby amended in sub-paragraph (d) of paragraph (1) of that Article as follows:-
- (1) by the substitution, in item (iv) of that sub-paragraph, for the words and figures “referred to in Schedule I to Article 41A,” of the words and figures “referred to in the Schedule to Article 41B,”;
 - (2) by the insertion, immediately after item (va) of that sub-paragraph, of the following item:-
“(vb) a member of the Constitutional Council referred to in sub-paragraph (e) of paragraph (1) of Article 41A, other than any Member of Parliament;”;
 - (3) by the insertion, immediately after item (xii) of that sub-paragraph, of the following item:-
“(xiii) a citizen of Sri Lanka who is also a citizen of any other country;”.
9. Article 95 of the Constitution is hereby amended in paragraph (2) of that Article, by the substitution for the words and figures “paragraph (1) of this Article and subject to the provisions of Article 41A, appoint”, of the words and figure “paragraph (1) and on the recommendation of the Constitutional Council, appoint”.
10. Article 103 of the Constitution is hereby amended as follows:-
- (1) by the substitution, in paragraph (1) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the recommendation of the Constitutional Council,”; and
 - (2) by the substitution, in paragraph (7) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the recommendation of the Constitutional Council,”.
11. Article 104B of the Constitution is hereby amended by the repeal of sub-paragraph (a) of paragraph (5) of that Article and the substitution therefor of the following sub-paragraph:-
“(a) The Commission shall have the power to issue, from time to time, in respect of the holding of any election or the conduct of a referendum, such guidelines as the Commission may consider appropriate, to any broadcasting or telecasting operator or any proprietor or any publisher of a newspaper, as the case may be, as the Commission may consider necessary to ensure a free and fair election.”.
12. Article 107 of the Constitution is hereby amended in paragraph (1) of that Article, by the substitution, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”.
13. Article 109 of the Constitution is hereby amended as follows:-
- (1) by the substitution, in paragraph (1) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the approval of the Constitutional Council,”; and
 - (2) by the substitution, in paragraph (2) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “on the approval of the Constitutional Council,”.
14. Article 111D of the Constitution is hereby amended as follows:-
- (1) by the substitution in paragraph (1) of that Article, for the words and figures “subject to the provisions of Article 41A.”, of the words “subject to the approval of the Constitutional Council.”; and
 - (2) by the substitution in paragraph (2) of that Article, for the words “a judge of a Court of First Instance” wherever those words occur in that paragraph, of the words “a Magistrate or a District Judge”.
15. Article 111E of the Constitution is hereby amended in paragraph (5) of that Article, by the substitution, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”.
16. Article 111M of the Constitution is hereby amended in the definition of the expression “judicial officer” in paragraph (a) thereof, by the substitution for the words “Court of Appeal or of the High Court” of the words “Court of Appeal”.

17. Article 121 of the Constitution is hereby amended in paragraph (1) of that Article, by the substitution, for the words “within one week” of the words “within fourteen days”.
18. Article 153 of the Constitution is hereby amended as follows:-
- (1) by the substitution, in paragraph (1) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”; and
 - (2) by the substitution, in paragraph (4) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”.
19. The following new Articles are hereby inserted immediately after Article 153 and shall have effect as Articles 153A, 153B, 153C, 153D, 153E, 153F, 153G and 153H of the Constitution:-
- 153A(1) There shall be an Audit Service Commission (in this Chapter referred to as the “Commission”), which shall consist of the Auditor-General who shall be the Chairman of the Commission, and the following members appointed by the President on the recommendation of the Constitutional Council:-
- (a) two retired officers of the Auditor-General’s Department, who have held office as a Deputy Auditor-General or above;
 - (b) a retired judge of the Supreme Court, the Court of Appeal or the High Court of Sri Lanka; and
 - (c) a retired Class I officer of the Sri Lanka Administrative Service.
- (2) A person appointed as a member of the Commission shall hold office for three years, unless he—
- (a) earlier resigns from his office, by letter addressed to the President;
 - (b) is removed from office as hereinafter provided; or
 - (c) becomes a Member of Parliament or a member of a Provincial Council or a local authority.
- (3) A person appointed as a member of the Commission shall be eligible to be appointed for a further term of office, on the recommendation of the Constitutional Council.
- (4) The President may, for cause assigned and with the approval of the Constitutional Council, remove from office any person appointed as a member of the Commission under paragraph (1).
- (5) The Chairman and the members of the Commission shall be paid such allowances as are determined by Parliament. Such allowances shall be charged on the Consolidated Fund and shall not be diminished during the term of office of the Chairman or members.
- (6) The Chairman and the members of the Commission shall be deemed to be public servants within the meaning and for the purposes of Chapter IX of the Penal Code (Chapter 19).
- (7) There shall be a Secretary to the Commission who shall be appointed by the Commission.
- 153B(1) The quorum for any meeting of the Commission shall be three members of the Commission.
- (2) Parliament shall, subject to paragraph (1), provide by law for meetings of the Commission, the establishment of the Sri Lanka State Audit Service and such other matters connected with and incidental thereto.
- 153C(1) The powers of appointment, promotion, transfer, disciplinary control and dismissal of the members belonging to the Sri Lanka State Audit Service, shall be vested in the Commission.
- (2) The Commission shall also exercise, perform and discharge the following powers, duties and functions: -
- (a) make rules pertaining to schemes of recruitment, the appointment, transfer, disciplinary control and dismissal of the members belonging to the Sri Lanka State Audit Service, subject to any policy determined by the Cabinet of Ministers pertaining to the same;
 - (b) prepare annual estimates of the National Audit Office established by law; and
 - (c) exercise, perform and discharge such other powers, duties and functions as may be provided for by law.
- (3) The Commission shall cause the rules made under paragraph (2) to be published in the *Gazette*.
- (4) Every such rule shall come into operation on the date of such publication or on such later date as may be specified in such rule.

- (5) Every such rule shall, within three months of such publication in the *Gazette* be brought before Parliament for approval. Any rule which is not so approved shall be deemed to be rescinded as from the date of such disapproval, but without prejudice to anything previously done thereunder.
- 153D(1) A person who otherwise than in the course of his duty, directly or indirectly, by himself or through any other person, in any manner whatsoever, influences or attempts to influence any decision of the Commission, any member thereof or any officer of the Sri Lanka State Audit Service, commits an offence and shall on conviction be liable to a fine not exceeding one hundred thousand rupees or to imprisonment for a term not exceeding three years or to both such fine and imprisonment.
- (2) Every High Court established under Article 154P of the Constitution shall have jurisdiction to hear and determine any matter referred to in paragraph (1).
- 153E. Subject to the jurisdiction conferred on the Supreme Court under Article 126 and to the powers granted to the Administrative Appeals Tribunal under Article 153G, no court or tribunal shall have the power or jurisdiction to inquire into, pronounce upon or in any manner whatsoever call in question any order or decision made by the Commission, in pursuance of any function assigned to such Commission under this Chapter or under any law.
- 153F. The costs and expenses of the Commission shall be a charge on the Consolidated Fund.
- 153G. Any officer of the Sri Lanka State Audit Service who is aggrieved by any order relating to the appointment, promotion or transfer of such officer or any order on a disciplinary matter or dismissal made by the Commission, in respect of such officer, may appeal therefrom to the Administrative Appeals Tribunal established under Article 59, which shall have the power to alter, vary, rescind or confirm any order or decision made by the Commission.
- 153H. The Commission shall be responsible and answerable to Parliament in accordance with the provisions of the Standing Orders of Parliament for the discharge of its functions and shall forward to Parliament in each calendar year a report of its activities in such year.”.
20. Article 154 of the Constitution is hereby amended in paragraph (1) of that Article, by the substitution for the words and figures “the Parliamentary Council, the Commissions referred to in Schedule I to Article 41A,” of the words and figures “the Constitutional Council, the Commissions referred to in the Schedule to Article 41B,”.
21. Article 154R of the Constitution is hereby amended in sub-paragraph (c) of paragraph (1) of that Article, by the substitution for the words and figures “subject to the provisions of Article 41A,” of the words “on the recommendation of the Constitutional Council,”.
22. Article 155A of the Constitution is hereby amended in paragraph (1) of that Article, by the substitution for the words and figures “subject to the provisions of Article 41A,” of the words “on the recommendation of the Constitutional Council,”.
23. Article 155B of the Constitution is hereby amended, by the insertion, immediately after paragraph (4) of that Article, of following paragraph:-
- “(5) The Inspector-General of Police shall be entitled to be present at meetings of the Commission, except where any matter relating to him is being considered. He shall have no right to vote at such meetings.”.
24. Article 155C of the Constitution is hereby amended, by the substitution, for the words and figures “under paragraph (1) of Article 126,” of the words and figures “under paragraph (1) of Article 126 and the powers granted to the Administrative Appeals Tribunal under Article 155L,”.
25. The following new Articles are hereby inserted immediately after Article 155FFF and shall have effect as Articles 155G, 155H, 155J, 155K and 155L respectively, of the Constitution: -
- 155G.(1) (a) The appointment, promotion, transfer, disciplinary control and dismissal of police officers other than the Inspector-General of Police, shall be vested in the Commission. The Commission shall exercise its powers of promotion, transfer, disciplinary control and dismissal in consultation with the Inspector-General of Police.
- (b) The Commission shall not in the exercise of its powers under this Article, derogate from the powers and functions assigned to the Provincial Police Service Commissions as and when such Commissions are established under Chapter XVIIIA of the Constitution.
- (2) The Commission shall establish procedures to entertain and investigate public complaints and complaints of any aggrieved person made against a police officer or the police service, and provide redress as provided by law. In the event of the Commission providing redress, the Commission shall forthwith inform the Inspector-General of Police.

- (3) The Commission shall, in consultation with the Inspector-General of Police, provide for and determine all matters regarding police officers, including-
 - (a) the formulation of schemes of recruitment, promotion and transfer, subject to any policy determined by the Cabinet of Ministers pertaining to the same;
 - (b) training and the improvement of the efficiency and independence of the police service;
 - (c) the nature and type of the arms, ammunition and other equipment necessary for the use of the National Division and the Provincial Divisions; and
 - (d) codes of conduct and disciplinary procedures.
 - (4) The Commission shall exercise all such powers and discharge and perform all such duties and functions as are vested in it under Appendix I of List I contained in the Ninth Schedule to the Constitution.
- 155H(1) The Commission may delegate to a Committee of the Commission (not consisting of members of the Commission) as shall be nominated by the Commission, the powers of appointment, promotion, transfer, disciplinary control and dismissal of such categories of police officers as are specified by the Commission.
- (2) The Commission shall cause to be published in the *Gazette*, the appointment of any such Committee.
 - (3) The procedure and quorum for meetings of a Committee nominated under paragraph (1) shall be according to rules made by the Commission. The Commission shall cause such rules to be published in the *Gazette*.
- 155J(1) The Commission may, subject to such conditions and procedures as may be specified by the Commission, delegate to the Inspector-General of Police or in consultation with the Inspector-General of Police to any police officer, its powers of appointment, promotion, transfer, disciplinary control and dismissal of any category of police officers.
- (2) The Commission shall cause any such delegation to be published in the *Gazette*.
- 155K(1) Where the Commission has delegated under Article 155J to any police officer its powers of appointment, promotion, transfer, disciplinary control and dismissal of any category of police officers, the Inspector-General of Police shall have a right of appeal to the Commission against any order made by such police officer in the exercise of the powers delegated to him.
- (2) A police officer aggrieved by any order relating to promotion, transfer or any order on a disciplinary matter or dismissal made by a Committee or the Inspector-General of Police or a police officer referred to in Articles 155H and 155J in respect of such officer may appeal to the Commission against such order in accordance with rules made by the Commission, from time to time, regulating the procedure and the period fixed for the making and hearing of an appeal by the Commission.
 - (3) The Commission shall have the power to alter, vary, rescind or confirm such order upon an appeal made under paragraph (1) or paragraph (2), or to give directions in relation thereto or to order such further or other inquiry, as the Commission shall deem fit.
 - (4) The Commission shall, from time to time, cause to be published in the *Gazette*, rules made by it under paragraph (2) of this Article.
 - (5) Upon any delegation of its powers to a Committee or the Inspector-General of Police or police officer under Articles 155H and 155J, the Commission shall not, whilst such delegation is in force, exercise, perform or discharge its powers, duties or functions in respect of the categories of police officers in respect of which such delegation is made, subject to the right of appeal hereinbefore provided.
- 155L Any police officer aggrieved by any order relating to promotion, transfer or any order on a disciplinary matter or dismissal made by the Commission in terms of Article 155K, in respect of such officer, may appeal therefrom to the Administrative Appeals Tribunal established under Article 59, which shall have the power to alter, vary, rescind or confirm any order or decision made by the Commission."
26. Article 155M of the Constitution is hereby repealed and the following Article is substituted therefor:-
- 155M. Until the Commission otherwise provides, all rules, regulations and procedures relating to the Police Force as are in force on the date of the coming into operation of this Article, shall continue to be operative and in force."
27. Article 156 of the Constitution is hereby amended as follows: -

- (1) by the substitution, in paragraph (2) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”; and
 - (2) by the substitution, in paragraph (5) of that Article, for the words and figures “subject to the provisions of Article 41A,” of the words “subject to the approval of the Constitutional Council,”.
28. The following new Chapters are hereby inserted immediately after Chapter XIX and shall have effect as Chapter XIXA and Chapter XIXB of the Constitution: -

“CHAPTER XIXA

COMMISSION TO INVESTIGATE ALLEGATIONS OF BRIBERY OR CORRUPTION

- 156A(1) Parliament shall by law provide for the establishment of a Commission to investigate allegations of bribery or corruption. Such law shall provide for—
- (a) the appointment of the members of the Commission by the President on the recommendation of the Constitutional Council;
 - (b) the powers of the Commission, including the power to direct the holding of a preliminary inquiry or the making of an investigation into an allegation of bribery or corruption, whether of its own motion or on a complaint made to it, and the power to institute prosecutions for offences under the law in force relating to bribery or corruption; and
 - (c) measures to implement the United Nations Convention Against Corruption and any other International Convention relating to the prevention of corruption, to which Sri Lanka is a party.
- (2) Until Parliament so provides, the Commission to Investigate Allegations of Bribery or Corruption Act, No. 19 of 1994 shall apply, subject to the modification that it shall be lawful for the Commission appointed under that Act, to inquire into, or investigate, an allegation of bribery or corruption, whether on its own motion or on a written complaint made to it.

“CHAPTER XIXB

NATIONAL PROCUREMENT COMMISSION

- 156B(1) There shall be a National Procurement Commission (in this Chapter referred to as the “Commission”) consisting of five members appointed by the President on the recommendation of the Constitutional Council, of whom at least three members shall be persons who have had proven experience in procurement, accountancy, law or public administration. The President shall, on the recommendation of the Constitutional Council, appoint one member as the Chairman of the Commission.
- (2) Every member of the Commission shall hold office for a period of three years from the date of appointment, unless such member earlier resigns from office by a writing addressed to the President or is removed from office by the President for causes assigned with the approval of the Constitutional Council or is convicted by a court of law for an offence involving moral turpitude or is elected as a Member of Parliament or as a member of a Provincial Council or of a local authority or if a resolution for the imposition of a civic disability on him is passed in terms of Article 81.
 - (3) The Chairman and every member of the Commission shall be paid such allowances as may be determined by a resolution of Parliament. Such allowances shall be charged on the Consolidated Fund and shall not be diminished during the term of office of such Chairman or the member.
- 156C(1) It shall be the function of the Commission to formulate fair, equitable, transparent, competitive and cost effective procedures and guidelines, for the procurement of goods and services, works, consultancy services and information systems by government institutions and cause such guidelines to be published in the *Gazette* and within three months of such publication, to be placed before
- (2) Without prejudice to the generality of paragraph (1), it shall be the function of the Commission to –
 - (a) monitor and report to the appropriate authorities, on whether all procurement of goods and services, works, consultancy services and information systems by government institutions are based on procurement plans prepared in accordance with previously approved action plans;
 - (b) monitor and report to the appropriate authorities on whether all qualified bidders for the provision of goods and services, works, consultancy services and information systems by government institutions are afforded an equal

opportunity to participate in the bidding process for the provision of those goods and services, works, consultancy services and information systems;

- (c) monitor and report to the appropriate authorities on whether the procedures for the selection of contractors, and the awarding of contracts for the provision of goods and services, works, consultancy services and information systems to government institutions, are fair and transparent;
- (d) report on whether members of Procurement Committees and Technical Evaluation Committees relating to the procurements, appointed by government institutions are suitably qualified; and
- (e) investigate reports of procurements made by government institutions outside established procedures and guidelines, and to report the officers responsible for such procurements to the relevant authorities for necessary action.

156D(1) The Commission may, by Notice in writing, require any person to—

- (a) attend before the Commission, to be questioned by the Commission;
- (b) produce to the Commission, any document or thing in the possession or control of that person and specified in such Notice.

(2) Every person who—

- (a) fails, without reasonable cause to appear before the Commission when required to do so by a Notice sent to him under paragraph (1);
- (b) appears before the Commission in compliance with such a Notice, but refuses without reasonable cause, to answer any questions put to him by the Commission; or
- (c) fails or refuses, without reasonable cause, to produce any document or thing which he was required to produce by a Notice sent to him under paragraph (1),

commits an offence and shall on conviction be liable to a fine not exceeding one hundred thousand rupees or to imprisonment for a term not exceeding seven years, or to both such fine and imprisonment.

- (3) Every High Court established under Article 154P of the Constitution shall have jurisdiction to hear and determine any matter referred to in paragraph (2).

156E(1) The Commission shall meet as often as may be necessary for the discharge of its functions.

- (2) The Chairman shall preside at all meetings of the Commission. In the absence of the Chairman from any meeting of the Commission, the members present shall elect a Chairman for that meeting, from among themselves.
- (3) The quorum for any meeting of the Commission shall be three.
- (4) Decisions of the Commission shall be by the majority vote of the members present and voting at the meeting at which the decision is taken, and in the event of an equality of votes, the Chairman or member presiding at the meeting shall have a casting vote.
- (5) Subject to the preceding provisions of this Article, the Commission may determine the procedure with regard to its meetings and the transaction of business at such meetings.
- (6) The Commission shall have the power to act notwithstanding any vacancy in the membership of the Commission, and no act, proceeding or decision of the Commission shall be invalid or deemed to be invalid, by reason only of such vacancy or defect in the appointment of a member.

156F(1) The Commission shall appoint a Secretary-General and such other officers as it may consider necessary for the proper discharge of its functions, on such terms and conditions as may be determined by the Commission.

- (2) All members and officers of the Commission shall be deemed to be public servants within the meaning, and for the purposes of, Chapter IX of the Penal Code (Chapter 19).
- (3) No suit, prosecution or other proceeding shall lie against any member or officer of the Commission for any act or thing which in good faith is done or purported to be done by him in the performance of his duties or the discharge of his functions, under the Constitution.

156G The expenses of the Commission shall be charged on the Consolidated Fund.

156H In this Chapter, “government institution” includes the office of the Secretary to the President, the office of the Secretary

to the Prime Minister, the office of the Secretary to the Cabinet of Ministers, the offices of the Ministers appointed under Article 44 or 45, the Judicial Service Commission, the Constitutional Council, the Commissions referred to in the Schedule to Article 41b, the Parliamentary Commissioner for Administration, the Secretary-General of Parliament, Ministries, government departments, provincial councils, local authorities, public corporations, business or other undertakings vested in the government under any written law and Companies registered or deemed to be registered under the Companies Act, No. 7 of 2007, in which the government, a public corporation or local authority holds more than fifty per centum of the shares of that company.”.

29. Article 170 of the Constitution is hereby amended by the repeal of the definition of the expression “public officer” and the substitution therefor of the following definition: -

“public officer” means a person who holds any paid office under the Republic, other than a judicial officer, but does not include—

- (a) the President;
- (b) the Prime Minister;
- (c) the Speaker;
- (d) a Minister appointed under Article 44 or 45;
- (e) a Deputy Minister appointed under Article 46;
- (f) a Member of Parliament;
- (g) a member of the Constitutional Council;
- (h) a member of the Judicial Service Commission;
- (i) the Chairman or a member of any Commission referred to in Article 41B;
- (j) the Secretary-General of Parliament;
- (k) a member of the staff of the Secretary-General of Parliament;
- (l) a member of the University Grants Commission;
- (m) a member of the Official Languages Commission;
- (n) the Auditor-General; and
- (o) the Governor of the Central Bank of Sri Lanka.”.

30. (1) (a) The ninth Parliament in existence on the day preceding the date on which this Act comes into operation, shall, unless dissolved earlier continue to function until August 19, 2025 and shall thereafter stand dissolved.

(b) The persons holding office respectively as the President and the Prime Minister on the day preceding the date on which this Act comes into operation, shall continue to hold office after such date subject to the provisions of the Constitution.

- (2) Every person holding office on the day preceding the date on which this Act comes into operation, as—

- (a) the Chief Justice;
- (b) the Judges of the Supreme Court;
- (c) the members of the Judicial Service Commission;
- (d) the President of the Court of Appeal;
- (e) the Judges of the Court of Appeal;
- (f) the Attorney-General;
- (g) the Governor of the Central Bank of Sri Lanka;
- (h) the Auditor-General;
- (i) the Inspector-General of Police;
- (j) the Parliamentary Commissioner for Administration (Ombudsman);
- (k) the Secretary-General of Parliament;
- (l) the Judges of the High Court; or
- (m) the judicial officers, scheduled public officers, public officers or police officers,

shall continue to hold such office and shall, subject to paragraph (3) of Article 41C, continue to exercise, perform and discharge the powers, duties and functions of that office, under the same terms and conditions.

- (3) Every person holding office on the day preceding the date on which this Act comes into operation, as a member of the Parliamentary Council shall cease to hold office as a member of the Parliamentary Council with effect from the date on which this Act comes into operation.

- (4) Every person holding office on the day preceding the date on which this Act comes into operation, as the Chairman or a member of –

- (a) the Election Commission;
- (b) the Public Service Commission;
- (c) the National Police Commission;
- (d) the Human Rights Commission of Sri Lanka;
- (e) the Commission to Investigate Allegations of Bribery or Corruption;
- (f) the Finance Commission; and
- (g) the Delimitation Commission,

shall cease to hold such office with effect from the date on which this Act comes into operation:

Provided however, a person holding office on the day preceding the date on which this Act comes into operation, as a Chairman or a member of any such Commission referred to above may continue to exercise and discharge powers and functions of their respective offices until such date on which the respective Commissions are constituted in accordance with Chapter VIIA of the Constitution.

(5) All matters relating to—

- (a) the appointment, promotion, transfer, disciplinary control and dismissal of police officers; and
- (b) appeals by police officers to the Public Service Commission,

pending before the Public Service Commission on the day preceding the date on which this Act comes into operation, shall, with effect from that date, stand transferred to the National Police Commission established by Article 155A and shall be determined by the National Police Commission accordingly.

(6) All matters relating to the appointment, promotion, transfer, disciplinary control and dismissal of members of the Sri Lanka State Audit Service and pending before the Public Service Commission on the day preceding the date on which this Act comes into operation, shall, with effect from that date, stand transferred to the Audit Service Commission established by Article 153A and shall be determined by the Audit Service Commission accordingly.

31. For the avoidance of doubt, it is hereby declared that-

- (a) where there is a requirement in any written law to obtain the recommendation or approval of the Parliamentary Council on the day preceding the date on which this Act comes into operation, the reference to the Parliamentary Council shall be read and construed as a reference to the Constitutional Council with effect from the date on which this Act comes into operation; and
- (b) any Member of the ninth Parliament in existence on the day preceding the date on which this Act comes into operation, who is subject to the disqualification specified in item (xiii) of sub-paragraph (d) of paragraph (1) of Article 91 of the Constitution shall not be qualified to sit and vote in Parliament with effect from the date on which this Act comes into operation.

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

Notaries (Amendment) Act, No. 31 of 2022

[Certified on 31st of October, 2022]

AN ACT TO AMEND THE NOTARIES ORDINANCE (CHAPTER 107)

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

1. This Act may be cited as the Notaries (Amendment) Act, No. 31 of 2022.
2. Section 3 of the Notaries Ordinance (Chapter 107) (hereinafter referred to as the “principal enactment”) is hereby repealed and the following section substituted therefor:-
3. (1) Every attorney-at-law who has passed the examination conducted by the Council of Legal Education in conveyancing, after his admission as such attorney-at-law and who has obtained a certificate substantially in Form B1 set out in the Second Schedule hereto, from an attorney-at-law who has been in active practice as a notary for a consecutive period of at least ten years to the effect that such attorney-at-law has learnt notarial work for a period of one year and is fully acquainted with conveyancing practices, rules and guidelines specified in or under this Ordinance shall be entitled, on an application to a warrant authorizing him to practice as notary in the language in which he has passed the examination in conveyancing, within the judicial zone in which he resides.

- (2) Every notary who has been issued a warrant under subsection (1) shall, prior to commencement of practice as a notary, hand over a letter of commencement to the Registrar of the relevant land registry.”.
3. Section 12 of the principal enactment is hereby amended as follows:-
- (1) by the repeal of in paragraph (b) in subsection (1) thereof and the substitution therefor, of the following:-
- “(b) execute a bond before the High Court by depositing a sum of rupees ten thousand, to the due and faithful discharge of his duties as a notary, which shall be credited to the Consolidated Fund; and”;
- (2) by the repeal of subsection (2) thereof and the substitution therefor, of the following:-
- “(2) Every bond referred to in paragraph (b) of subsection (1) shall be signed in the presence of the High Court Judge having jurisdiction over the area specified in the warrant of the notary.”; and
- (3) by the repeal of subsection (3) thereof.
4. Section 13 of the principal enactment is hereby amended by the substitution for the words “given such bond and security” of the words, “given such bond” and for the words “to a fine not less than ten thousand rupees”, of the words “to a fine not less than twenty-five thousand rupees”.
5. Section 14 of the principal enactment is hereby repealed.
6. Section 15 of the principal enactment is hereby repealed.
7. Section 16 of the principal enactment is hereby repealed.
8. Section 17 of the principal enactment is hereby amended by the substitution for the word “security” of the word “bond”.
9. Section 19 of the principal enactment is hereby amended by the repeal of subsection (1) thereof and substitution therefor of the following:-
- “(1) Where a notary has been indicted before a High Court, the Minister may, on the application of the Attorney-General, suspend him from the office of notary pending his trial.”.
10. Section 20 of the principal enactment is hereby amended by the substitution for the words “which, in the opinion of the Minister”, of the words, “under this Ordinance, which”.
11. Section 21 of the principal enactment is hereby amended as follows:-
- (a) in paragraph (e) of subsection (1) thereof, by the substitution for the words “incompetence, age”, of the word “incompetence”; and
- (b) in subsection (4) thereof, by the substitution for the words “to a fine not less than two thousand five hundred rupees”, of the words “to a fine not less than ten thousand rupees”.
12. Section 24 of the principal enactment is hereby amended by the substitution for the words “to a fine not less than ten thousand rupees and not exceeding fifty thousand rupees” of the words “to a fine not less than one hundred thousand rupees and not exceeding five hundred thousand rupees”.
13. Section 26 of the principal enactment is hereby amended as follows:-
- (1) in subsection (2) thereof, by the substitution for the word “security”, of the word “bond”.;
- (2) in subsection (3) thereof, by the substitution for the word “security” of the word “bond”.
14. Section 27 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the word “March” of the word “April”.
15. Section 28 of the principal enactment is hereby amended by the insertion immediately after subsection (1) thereof of that section of the following subsection: -
- “(1A) Every notary shall annex to such application an affidavit to the effect that such notary has forwarded the duplicates of all deeds or instruments attested by him in the previous year, to the Registrar of Lands.”.
16. Section 31 of the principal enactment is hereby amended as follows:-
- (1) by the substitution for the rule (3) thereof, of the following: -
- (3) He shall not require, permit, or suffer any executant or any witness to any deed or instrument executed or to be

executed before him to sign or make a mark of such executant or witness, or such executant to affix the left or right thumb impression or any other finger impression or toe impression, as the case may be, to such deed or instrument or any duplicate or protocol, or require such executant or witness to sign or make the mark of such executant or witness and such executant to affix the left or right thumb impression or any other finger impression or toe impression, as the case may be, upon any paper or other material intended to be used afterwards for any such purpose, until the whole of such deed or instrument shall have been written or engrossed thereon, and in any event no signature or affixing of the left or right thumb impression or any other finger impression or toe impression of such executant shall be obtained for any deed or instrument on a blank paper or in any incomplete form.”;

(2) by the substitution for the rule (4) thereof, of the following:-

(4) He shall not authenticate or attest any deed or instrument unless the same is written, typed or printed on durable parchment paper or blue sheet.”;

(3) by the substitution for the rule (5) thereof, of the following:-

(5) (a) He shall authenticate or attest any deed or instrument which is written on one entire undivided parchment paper or blue sheet; or

(b) where he uses two or more separate sheets of paper, he shall-

(i) number every page;

(ii) place his signature on each such paper; and

(iii) cause every executant, holder of power of attorney (hereinafter referred to as the “attorney”), or authorized person of a corporate body, as the case may be, to place his signature and affix left or right thumb impression or any other finger impression or toe impression to each such paper.”;

(4) by the substitution for the rule (6) thereof, of the following: -

(6) He shall not authenticate or attest any deed or instrument unless he has an assurance that the required stamp duty is provided.”;

(5) by the insertion, immediately after rule (7) thereof, of the following new rule: -

(7A) (a) Notwithstanding anything to the contrary in this Ordinance or any other written law, any stamp duty which is required to be paid in respect of any deed or instrument relating to a transfer, a gift or an exchange executed under any written law, shall be paid by the notary;

(b) The original receipt received by the notary as the proof of such payment, from the relevant State bank shall be affixed to the duplicate of the deed or instrument;

(c) The copies of such receipt shall be affixed to the original and the protocol of such deed or instrument.”;

(6) in rule (9) thereof, by the substitution for the words, “He shall not authenticate or attest any deed or instrument unless the person executing the same be known to him or to at least two of the attesting witnesses thereto;” of the words “He shall not authenticate or attest any deed or instrument unless one of the executants to the deed or instrument or the two attesting witnesses be known to notary or by the identity of the executants to a deed or instrument is established by such notary by inspection of the national identity card, bio-page of the passport or the driving licence of such executants;”;

(7) by the substitution for the rule (14) thereof, of the following: -

(14) He shall, before any executant or witness signs or makes a mark and before any executant affixes his left or right thumb impression or any other finger impression or toe impression, ascertain the full names of the executant and witnesses to such deed or instrument and if an executant to any deed or instrument is a corporate body, cause to be affixed the seal of the corporate body and obtain the signatures of the board of directors or any person authorized by the board by resolution to sign such deed or instrument and if the name of such executant or witness differs from the name given in the identification documents of such executant or witness, he shall, in his attestation of such deed or instrument, describe such executant or witness by such name and by the name written in the signature. Where the executant is a body corporate, he shall attach a copy of the board resolution authorizing the executant to sign such deed or instrument to the protocol of such deed or instrument.”;

(8) by the insertion, immediately after rule (15) thereof, of the following new rule: -

(15A). (1) (a) Every-

- (i) executant;
 - (ii) attorney ; or
 - (iii) board of directors or the authorized person of a corporate body; executing a deed or instrument in respect of an immovable property, in addition to the provisions of rule (15) shall affix his thumb impression of any hand above or beside his signature to the original, duplicate and the protocol of such deed or instrument;
- (b) where such thumb impression of an executant, an attorney or board of directors or an authorized person of a corporate body cannot be obtained, such an executant, an attorney or an authorized person of a corporate body shall affix his finger impression of any hand or toe impression, above or beside his signature to the original, duplicate and the protocol of such deed or instrument;
- (c) where a deed or instrument is signed by an attorney, such attorney shall submit to the notary an affidavit affirming that the Power of Attorney is genuine and in force and the grantor is alive when executing such deed or instrument;
- (d) where the transferee is a minor, the legal guardian or guardian, as the case may be, shall be a competent person to act on behalf of the transferee for the purpose of this section.”;
- (9) in rule (16)–
- (a) in paragraph (a) thereof, by the substitution for the words, “the assessment number and the name, if any, of the street in which it is situated.”, of the following: -
- “the assessment number and the name, if any, of the street in which it is situated and in the case of a condominium property, where the condominium parcel can be identified, the description of such condominium parcel and other elements, and where the condominium parcel cannot be identified, the whole land or the land parcel.”; and
- (b) in paragraph (b) thereof, by the substitution for the words from “which it is a share: Provided, however” to the end of that paragraph of the words “which it is a share.”;
- (10) (a) by the repeal of paragraph (b) of rule (17) thereof, and the substitution therefor, of the following:-
- “(b) (i) he shall obtain from the Registrar of the relevant Land Registry the certified extract of the folio containing the last entry pertaining to such land or immovable property containing the ownership and the registered encumbrances relating to such land or immovable property;
- (ii) he shall, if any previous deed has been registered write in ink or print at the on the front page of the deed the number of the volume and the folio in which the previous deed has been registered; and
- (iii) in the case of a deed of transfer or a deed of gift, or deed of exchange or a will, he shall affix to the original of such deed or instrument passport size certified photographs of the parties, to which the notary has affixed his seal and shall keep copies of such national identity card, passport or driving licence attached to the protocol;”;
- (b) by the addition, immediately after paragraph (b) thereof, of the following new paragraphs: -
- “(c) he shall write on the front page of the deed his full name, number assigned to the notary, address of his office and telephone number. If he is a legal officer working in any organization, entity or company, he shall specify the registered address of such organization, entity or company;
- (d) if a party to any deed or instrument is a corporate body he shall retain a certified copy of the certificate of incorporation or other instrument establishing such corporate entity and details of board of directors; and
- (e) in the case of a deed in relation to a trust, he shall, state the names, addresses and national identity card numbers of trustees who are acting under a Trust Deed and the provision of such Trust Deed under which they are empowered to execute the deed, in the attestation, and retain a copy of the trust deed.”;
- (11) in rule (20) thereof,–
- (a) by the repeal of paragraph (b) thereof, and the substitution therefor of the following:-
- “(b) whether the executants of the said deed or instrument are known to him or whether he has identified them by the inspection of the national identity card, bio-page of the passport or the driving licence or whether the witnesses thereto are known to him and in the latter case he shall specify which of the executants or the person acknowledging are known to the said witness,”;
- (b) by the repeal of paragraph (e) thereof, and the substitution therefor, of the following:-

“(e) whether any money was paid or not in his presence as consideration or part of the consideration of the deed or instrument, and if paid, the actual amount in local currency of such payment and if the payment is made by cheque, pay order, bank draft or a banker’s cheque the details of such instrument shall be set out in the attestation, in proof of such payment.”;

(c) in paragraph (g) thereof, by the substitution for the words “affixed thereto.” of the words “affixed thereto; and”; and

(d) by the addition, immediately after paragraph (g) thereof, the following new paragraph: -

“(h) in the case of a will-

- (i) set out in the attestation of the will that the testator was in good and sound mind to execute the will; and
- (ii) enter in the deed register maintained by him, the number assigned to such will, the date and the name of the testator.”;

(12) by the repeal of rule (27) thereof;

(13) by the substitution in rule (30) thereof, from the words “he shall preserve a true copy of the registered power of attorney with his protocol” to the end of that rule, of the words “he shall annex a certified copy of the power of attorney obtained from the Registrar General to the original, and true copies to the duplicate and the protocol thereof.”;

(14) by the insertion, immediately after rule (30) thereof, of the following new rule:-

(30A) It shall be the duty of every notary to submit for registration to the Registrar, every deed or instrument attested by him before the expiry of thirty days from the date of attestation thereof:

Provided that, where such deed or instrument is required to be registered outside the jurisdiction in which he is practicing, he shall submit such deed or instrument for registration before the expiry of sixty days from the date of attestation.”.

17. Section 34 of the principal enactment is hereby repealed and the following section substituted therefor:-

34. (1) Every notary who acts in violation of or disregards or neglects to observe-

- (a) rules (1), (31) or (32) set out in section 31, shall be guilty of an offence, and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding five thousand rupees, in addition to any civil liability he may incur thereby;
- (b) rules (2), (3),(6),(7),(11),(18),(21),(23), (24) or (30A) set out in section 31, shall be guilty of an offence, and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding twenty thousand rupees, in addition to any civil liability he may incur thereby; or
- (c) any other rule set out in section 31, shall be guilty of an offence, and shall, on conviction after summary trial before a Magistrate, be liable to a fine not exceeding fifty thousand rupees, in addition to any civil liability he may incur thereby.

(2) Where a notary acts in violation of or disregards or neglects to observe the provisions of rule (26) set out in section 31 the Registrar-General may, by a written notice served on him personally or sent by registered post, call upon such notary to comply with the requirements of the said rule within such further period of time as he may specify in such notice for such purpose. In the event of such notary failing to comply with the terms of such notice, the Minister may, on application made in that behalf by the Registrar-General, suspend the notary from his office as notary.

(3) A notary, whose licence is suspended shall not attest any deed or instrument, from the date of receipt of the notice of such suspension.

(4) The Registrar-General shall, forthwith notify the Registrars of Land and the registrars of the High Courts, District Courts and the Magistrates’ Courts, requiring such registrars to display a copy of the notice of such suspension in the relevant land registry or courts’ premises.

(5) A notary who fails to submit the duplicates within the time specified in the notice of suspension, shall be guilty of an offence and shall on conviction after a summary trial before a Magistrate, be liable to a fine not exceeding five hundred thousand rupees and the Minister may, on application made in that behalf by the Registrar-General, cancel the licence of such notary.”.

18. Section 38 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “not exceeding twenty five thousand rupees” of the words “not exceeding fifty thousand rupees”.

19. Section 39 of the principal enactment is hereby amended as follows:-

- (1) by the substitution, in paragraph (c) thereof for the words, "signature or mark" of the words "signature, and the left or right thumb impression or any other finger impression or toe impression, as the case may be"; and
- (2) by the substitution, for the words "for any period not exceeding five years." of the words "for any period not exceeding ten years, or be liable to a fine of rupees one hundred thousand or both such fine and imprisonment, and to pay such compensation to the person who has suffered any damage or loss as a result of such action of the notary specified in paragraphs (a) to (g) as may be determined by the court."

20. Section 41 of the principal enactment is hereby amended in subsection (1) thereof by the substitution for the words from "to simple or rigorous" to the end of that subsection of the words, "to a fine not exceeding fifty thousand rupees."

21. Section 43 of the principal enactment is hereby amended by the insertion of the following definitions immediately before the definition of the expression "High Court Judge":-

"Council of Legal Education" shall have the same meaning as assigned to it by section 2 of the Council of the Legal Education Ordinance (Chapter 276);

"executant" means-

- (a) in relation to a deed of transfer, the transferor and the transferee; and
- (b) in relation to other deed or instrument the parties to such deed or instrument;

22. The Second Schedule to the principal enactment is hereby amended as follows:-

- (1) by the insertion immediately after Form B thereof, of the following new form which shall have effect as Form B1 of the principal enactment:-

"Form B1

[Section 3]

I, Attorney-at-Law and Notary Public of the Judicial Zone of, do hereby certify that I have commenced practicing as a Notary on..... and have been in active practice for a consecutive period of ten years and that Mr/Mrs/Ms..... Attorney-at-Law has pursued his studies under me on notarial practice for a period of one year since.....

Date

.....

(signature)

Attorney-at-Law and Notary Public
(Imprint of the Seal)";

- (2) by the repeal of Form E of that Schedule, and the substitution therefor, of the following form: -

"FORM E

[Section 31(21)]

Form of Attestation

I, Notary Public of (Address of Notary Public) in the Judicial Zone of..... do hereby certify and attest that the foregoing instrument having been read over by (or, read and explained by) me, the said notary, to the said executants (names), who have signed this deed (illegibly/ as Juvanis, as the case may be) and affixed their (thumb of left/right hand or any other finger or toe) impression in the presence of (insert the names of the witnesses in full and the addresses) holder of National Identity Card/ Passport/ Driving Licence No., the subscribing witnesses hereto, and who signed (illegibly/as, as the case may be) respectively, and the same was signed by the said executants, the said witnesses and also by me the said Notary, in my presence and in the presence of one another, all being present at the same time on the day ofat

And I certify that the (executant is known to me/ witnesses are known to me/ I have checked their identity by the inspection of their (national identity card / passport/ driving licence) and prior to the execution of the foregoing instrument, I have inspected the identity card/ passport/ driving licence of the executant/s.

And I further certify and attest that I have affixed hereto recent photographs of the executants to the original of the deed or instrument and that (in the case of a transfer or a gift) the stamp duty to the value of Rs.....(Rs. in figures) was paid to the credit of theProvincial Council in the State Bank of in proof of which the original of such stamp duty

paying in slip No. dated... is affixed to the duplicate of this instrument and, copies are affixed to the original and the protocol / (in all other cases) the original of this instrument bearsstamps of the value of Rs..... and the duplicatestamps of the value of Rs.....

And I further certify that the withinmentioned consideration (was paid in my presence by the Purchaser to the Vendor /Lessee to the Lessor, or was not paid in my presence. However the Vendor/ Lessor acknowledges the receipt of the said consideration from the Purchaser/Lessee prior to the execution hereof).

(in case of a will) And I further certify and attest that the testator was in good and sound mind to execute the will.

And I further certify and attest that on page..... in line..... the word/letter was erased and written over in ink/deleted prior to the execution hereof.

And I have annexed a certified copy of the registered Power of Attorney to the original, and true copies to the duplicate and protocol of this deed. (in case of Power of Attorney)

And I also certify that I have renewed my licence for the year/ I have applied for renewal of the licence for the current year.

Date:

.....

(signature)

Notary Public

(Imprint of the Seal)".

23. For the avoidance of doubt, it is hereby declared that the provisions of this Act shall-

- (a) not affect any deed or instrument lawfully executed prior to the date of commencement of this Act and pending registration in accordance with the provisions of Registration of Documents Ordinance (Chapter 117);
- (b) not derogate from the powers of any Provincial Council to levy or recover any stamp duty on any instrument or deed executed prior to the date of commencement of this Act;
- (c) not affect any action or suit pending before a court of law or any decision of a court of law given prior to the date of commencement of this Act;
- (d) not make a notary who has commenced his practice prior to the date of commencement of this Act, liable to execute a bond in terms of section 12 of the principal enactment.

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

Registration of Documents (Amendment) Act, No. 32 of 2022

[Certified on 31st of October, 2022]

AN ACT TO AMEND THE REGISTRATION OF DOCUMENTS ORDINANCE (CHAPTER 117)

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

1. This Act may be cited as the Registration of Documents (Amendment) Act, No. 32 of 2022.
2. Section 32 of the Registration of Documents Ordinance (Chapter 117) (hereinafter referred to as the "principal enactment") is hereby amended as follows:-

(1) by the repeal of subsection (1) thereof and the substitution therefor of the following subsection: -

"(1) (a) A person (hereinafter referred to as the "caveator") who

- (i) has a right, title or interest; or
- (ii) claims to have a right, title or interest,

to a land, an undivided land, a land parcel or a condominium parcel (hereinafter in this section referred to as the "land") may present for registration a caveat substantially in Form VIII of the Second Schedule hereto requiring him to be served a notice of the presentation for registration of any instrument affecting such land.

(b) Every caveat presented for registration shall-

- (i) be in duplicate and accompanied by an affidavit of the caveator together with a certificate issued by an Attorney-at-law substantiating the right, title or interest in the land or claims to a right, title or interest in the land of the caveator;

- (ii) be accompanied by such number of copies of the notice set out in Form X of the Second Schedule hereto together with stamped envelopes, to be served on the owners of the land whose names and addresses are given in the relevant volume and folio in which such land is registered, where the caveator is not the owner;
 - (iii) be accompanied by a certified copy of the original of the Power of Attorney duly registered with the Registrar General or the Registrar of the relevant Land Registry or the Registrar of Title (hereinafter in this section referred to as the "Registrar") where the caveator is a holder of a Power of Attorney (hereinafter in this section referred to as the "attorney"); and
 - (iv) contain the name, signature and the National Identity Card number or the passport number or the driving licence number and address of the caveator in Sri Lanka at which notices relating to the caveat shall be served, the date of the caveat, the names and addresses of the persons to whom the notice of the caveat shall be sent where the caveator is not the owner, the right, title or interest in the land claimed by the caveator, grounds in support of the claim and the description of the land, including the boundaries, indicating the correct volume and folio in which such land, is registered.
- (c) For the purpose of this section
- (i) "caveator" includes a body of persons, a beneficiary under any trust affecting a land, the lawful guardian or the next friend of a minor or of a person of unsound mind or mentally deficient person, an attorney of a person, a judgement creditor, an executor or an administrator of an estate of a deceased, or a legal heir, or an intended purchaser who has entered into an agreement with the owner of a land or a developer of a land;
 - (ii) "condominium parcel" means a condominium parcel registered under the Registration of Title Act, No.21 of 1998 in terms of section 10 of the Apartment Ownership Law, No.11 of 1973 or registered under this Ordinance; and
 - (iii) "interest" includes an interest arising from an unregistered deed or instrument relating to a land which is incapable of immediate registration, a trust, an inheritance either by testate or intestate succession, instruments relating to a mortgage or an agreement to sell, co-ownership, an ownership arising from a condominium parcel or the estate of a minor, or of a person of unsound mind or mentally deficient person.";

- (2) by the insertion, immediately after subsection (1) thereof, of the following new subsections: -

"(1A) The Registrar, on being satisfied that all required documents and information referred to in paragraph (b) of subsection (1) are provided by the caveator, shall acknowledge the receipt of such caveat and record the prescribed particulars referred to in subsection (1) of section 27.

(1B) Upon the acknowledgement, the Registrar shall forthwith notify the persons, whose names and addresses have been furnished by the caveator under subparagraph (iv) of paragraph (b) of subsection (1) and shall make an endorsement in the Remark Column by inserting the date and the names of the persons to whom and the addresses to which the notices referred to in subparagraph (ii) of paragraph (b) in subsection (1) were sent.";

- (3) by the repeal of subsection (3) thereof and the substitution therefor of the following subsection: -

"(3) A caveat shall be in force for a maximum period of two years.";

- (4) in subsection (4) thereof, by the substitution for the words "The notice to be given to the caveator shall be in the prescribed form", of the words and figures "Where an instrument affecting the same land described in the caveat has been subsequently presented for registration, a notice shall be given to the caveator in Form XI of the Second Schedule hereto";
- (5) in subsection (5) thereof, by the substitution for the words "a competent court within thirty days" of the words "a competent court within sixty days".

3. Section 33 of the principal enactment is hereby amended as follows: -

- (1) in subsection (1) thereof, by the substitution for the words "seizure priority notice, caveat, or *lis pendens*", of the words "seizure priority notice or *lis pendens*";

- (2) by the addition immediately after subsection (1) thereof, of the following new subsection: -

"(1A) (a) A caveat may be withdrawn or cancelled, as the case may be, at the request in writing -

- (i) by the caveator;
- (ii) by an attorney;
- (iii) upon the death of a caveator, by an executor, administrator, or a legal heir;
- (iv) by the guardian or next friend of a minor of a person of unsound mind or mentally deficient person on whose

- interest the caveat was lodged, on the death or removal of the guardian, by the successor or by the minor upon the minor attaining the age of majority;
- (v) where there are joint caveators, and upon the death of one or more of them, by the surviving caveator or caveators;
 - (vi) where the caveator is adjudicated a bankrupt, by the Official Assignee;
 - (vii) where the caveator is a body corporate and is in liquidation, and the estate or interest claimed by the caveator has become vested in the liquidator appointed by court, by the liquidator or by the Official Receiver; or
 - (viii) where an order has been issued by a competent court on an estate which is the subject of a caveat, by a Fiscal officer, or any other person receiving the rights under such order.
- (b) on receipt of the instrument for withdrawal under paragraph (a) hereof, the Registrar shall—
- (i) cancel the entry of the caveat in the register in the aforesaid manner and setting out the date thereof, and
 - (ii) notify the persons or body of persons, whose right, title or interest for registration of an instrument was affected by such caveat.”;
- (3) by the insertion, immediately after subsection (2) thereof, of the following new subsection: -
- “(2A) Notwithstanding anything to the contrary in any other written law, any summons, notice, decree nisi or order in relation to any proceeding under subsection (2) on a caveat, shall be served to the address of the caveator in Sri Lanka referred to in sub-paragraph (iv) of paragraph (b) of subsection (1) of section 32.”;
- (4) by the addition, immediately after subsection (3) thereof, of the following new subsection:—
- “(4) The Registrar shall not register a caveat of the same caveator in respect of the same land or same interest in the land, in respect of which registration of caveat was cancelled under subsection (3).”.
4. Section 50 of the principal enactment is hereby amended by the substitution for the words, “require, but such Schedule may be altered or added to by regulation”, of the words “require.”.
5. The Second Schedule to the principal enactment is hereby amended as follows:—
- (1) by the repeal of Form VIII thereof, and the substitution therefor, of the following new Form:—

“FORM VIII

[section 32(b)]

FORM OF THE CAVEAT

Take notice that, I, (full name and the address of the caveator) bearing (NIC/passport/ driving licence) no..... require to be served with notice of the presentation for registration of any instrument affecting land..... (owned by me / owned by other specify the right/title/ or interest) referred to in the Schedule hereto.

And I further declare that I present this caveat in my behalf/ in behalf of (where the caveator is not the owner) on the following ground/s.

Title under deed no.....

Under the last will of.....

Other (specify)

And I appoint (the address in Sri Lanka) as the place at which notices relating hereto shall be sent.

.....
(Signature of the caveator/his
Attorney-at-Law or notary/attorney)

Date

Signed by the above-named..... in the presence of (full name and address of the two witnesses)

1. Signature of the first witness

2. Signature of the second witness

Schedule

(describe land as in section 13 and previous registration, if known)”; and

(2) by the insertion immediately after Form IX of that Schedule, of the following new Forms: -

“FORM X

[section 32(1)(b)(ii)]

NOTICE TO AN OWNER OF A PROPERTY IN RESPECT OF WHICH A CAVEAT HAS BEEN LODGED

Take notice that a caveat has been lodged by of in respect of the property named..... bearing assessment no..... and registered under folio..... of volume at this land registry.

(signature)

.....
Registrar of Lands
of.....

Date :.....

FORM XI

[section 32(4)]

NOTICE TO THE CAVEATOR OF AN INSTRUMENT PENDING REGISTRATION

You are hereby notified that the instrument specified in the Schedule hereto is pending registration in volume..... and folio..... of at this Land Registry, as opposed to caveat No..... dated..... submitted by you.

(signature)

.....
Registrar of Lands
of.....

Date :.....

Deed No.	Nature of the deed/ instrument	Name of the Notary who attested the deed/ instrument	Description of the Land (as per the Schedule)	Parties

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

Judicature (Amendment) Act, No. 34 of 2022

[Certified on 17th of November, 2022]

AN ACT TO AMEND THE JUDICATURE ACT, No. 2 OF 1978

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 Judicature (Amendment) Act, No. 34 of 2022.
- (2) The provisions of this Act shall come into operation on such date or dates as the Minister may appoint by Order published in the *Gazette*.
- (3) Different dates may be appointed for bringing into operation different provisions of this Act.
2. Section 2 of the Judicature Act, No. 2 of 1978, (hereinafter referred to as the “principal enactment”) is hereby repealed and the following section is substituted therefor :-
 2. The Courts of First Instance for the administration of justice in the Republic of Sri Lanka shall be-

- (a) the High Court of the Republic of Sri Lanka;
 - (b) the High Courts for the Provinces established by Article 154P of the Constitution;
 - (c) the District Courts;
 - (d) the Family Courts;
 - (e) the Small Claims Courts;
 - (f) the Magistrates' Courts; and
 - (g) the Primary Courts."
3. Section 5 of the principal enactment is hereby repealed and the following section is substituted therefor: -
5. (1) There shall be in each judicial district of Sri Lanka a "District Court" which shall be deemed to be the "Family Court" when exercising the jurisdiction vested in a Family Court under this Act or any written law, and which shall be deemed to be the "Small Claims Court" when exercising the jurisdiction vested in a Small Claims Court under this Act or any other written law, and in every judicial division there shall be a "Magistrate's Court" and a "Primary Court" and, each such Court shall be holden by and before a person to be called the "District Judge", "Judge of the Family Court", "Judge of the Small Claims Court", "Magistrate" and "Judge of the Primary Court" respectively.
 - (2) Each Court referred to in subsection (1) may be held at such convenient place or places within such judicial district or division, as the case may be, as the Minister shall, by regulation from time to time appoint:

Provided that nothing in this section shall be construed to restrict or curtail the power possessed by every Judge to hold the Court at any convenient place within his territorial jurisdiction."
4. Section 5B of the principal enactment is hereby repealed and the following section is substituted therefor: -
- 5B. (1) The Judicial Service Commission shall appoint a judicial officer from among the District Judges and Magistrates to be called the Pre-Trial Judge, to any one or more Court of First Instance exercising civil jurisdiction, where the Judicial Service Commission is of the opinion that such appointment is required.
 - (2) The Pre-Trial Judge shall attend to and deal with pre-trial conferences as specified in the provisions of the Civil Procedure Code (Chapter 101) and post-trial matters assigned by the Judicial Service Commission which have arisen in the course of a civil proceeding instituted in the Court to which he is appointed."
5. Section 6 of the principal enactment is hereby amended by the repeal of subsection (1) thereof and the substitution therefor, of the following: -
- "(1) All District Judges, Judges of the Family Courts, Judges of the Small Claims Courts, Magistrates and Judges of the Primary Courts and all such Additional Judges and Additional Magistrates of such Courts shall be appointed to their offices by the Judicial Service Commission."
6. Section 8 of the principal enactment is hereby amended by the repeal of subsections (1) and (2) thereof and the substitution therefor, of the following: -
- "(1) The Judicial Service Commission may appoint as many additional District Judges, Additional Judges of the Family Court, Additional Judges of the Small Claims Court, Additional Magistrates or Additional Judges of the Primary Court to the same District Court, Family Court, Small Claims Court, Magistrate's Court, and Primary Court respectively as the occasion may require.
- (2) Every Additional District Judge, Additional Judge of the Family Court, Additional Judge of the Small Claims Court, Additional Magistrate, or Additional Judge of the Primary Court appointed to any such Court, shall sit separately and exercise all the powers and the jurisdiction vested in the District Court, Family Court, Small Claims Court, Magistrate's Court and Primary Court, respectively, of that district or division, as the case may be, for which such Additional District Judge, Additional Judge of the Family Court, Additional Judge of the Small Claims Court, Additional Magistrate or Additional Judge of the Primary Court, is so appointed."
7. Section 14 of the principal enactment is hereby amended by the substitution for the words "the High Court may", of the words and figures "the High Court of the Republic of Sri Lanka or the High Court for the Province established by Article 154P of the Constitution may".
8. Section 15 of the principal enactment is hereby amended as follows:-

- (1) in paragraph (a) thereof, by the substitution for the words “by a High Court-”, of the words and figures “by a High Court of the Republic of Sri Lanka or a High Court for the Province established by Article 154P of the Constitution-”; and
 - (2) in paragraph (b) thereof, by the substitution for the words “order of the High Court.”, of the words and figures “order of the High Court of the Republic of Sri Lanka or the High Court for the Province established by Article 154P of the Constitution.”.
9. Section 16 of the principal enactment is hereby amended in subsection (1) thereof by the substitution for the words “of the High Court”, of the words and figures “of the High Court of the Republic of Sri Lanka or the High Court for the Province established by Article 154P of the Constitution”.
10. Section 19 of the principal enactment is hereby repealed and the following section is substituted therefor: -
19. Every District Court shall be a court of record and shall within its district have unlimited original jurisdiction in all civil, revenue, trust, insolvency and testamentary matters, save and except such of the aforesaid matters as are by or under Chapter Va of this Act or by virtue of the provisions of any other enactment exclusively assigned by way of original jurisdiction to any other court or vested in any other authority and in the exercise of such jurisdiction to impose fines, penalties and forfeitures and shall, in like manner also have jurisdiction over the persons and estates of persons of unsound mind and wards, over the estates of cestuis que trust and over guardians and trustees and in any other matter in which jurisdiction is given to District Court by law.”.
11. Section 19A of the principal enactment is hereby repealed.
12. Section 23 of the principal enactment is hereby amended as follows:-
- (1) in subsection (1) thereof, by the substitution for the words “the Court of Appeal”, of the words and figures “the High Court for the Province established by Article 154P of the Constitution”; and
 - (2) in subsection (2) thereof, by the substitution for the words “to the Court of Appeal” and “of the Court of Appeal”, respectively, of the words and figures “to the High Court for the Province established by Article 154P of the Constitution” and “of the High Court for the Province established by Article 154P of the Constitution”.
13. Chapter V of the principal enactment is hereby repealed and the following Chapter is substituted therefor: -

“CHAPTER V

FAMILY COURTS

24. (1) Every Family Court shall be a court of record and shall have sole original jurisdiction in respect of matrimonial disputes, actions for divorce, nullity and separation, damages for adultery, claims for alimony, disputes between spouses, parents and children as to matrimonial property, custody of minor children, dependants’ claims, guardianship and curatorship matters, claims in respect of declaration of legitimacy and, illegitimacy and marriage, adoption and applications for amendment of birth registration entries, claims for seduction and breach of promise of marriage and such other matters provided for by any other written law:
- Provided that anything in the preceding provisions of this subsection shall not affect the provisions of the Kandyan Marriage and Divorce Act (Chapter 113) and the provisions of the Muslim Marriage and Divorce Act (Chapter 115).
- (2) The Family Court shall also have sole and exclusive jurisdiction in respect of all matters specified in subsection (1) and where reference is made to any court in respect of such matters in any of the enactments referred to in the Third Schedule hereto, it shall be deemed to be a reference to a Family Court:
- Provided that this subsection shall have no application to any offences alleged to have been committed in violation of the provisions of any such enactment.
- (3) An application for the custody of a minor child or of the spouse of any marriage alleged to be kept in wrongful or illegal custody by any parent or by the other spouse or guardian or relative of such minor child or spouse shall be heard and determined by the Family Court; and such Court shall have full power and jurisdiction to hear and determine the same and make such orders both interim and final as the justice of the case shall require.
25. The jurisdiction and powers of District Courts under section 20 as regards the care and custody of persons of unsound mind and mentally deficient persons and the charge of their property shall, in like manner and with the same powers be exercised by a Family Court as regards the care of the persons of minors and wards and the charge of their property and shall extend to the charge of the property in Sri Lanka of minors and wards who are not resident in Sri Lanka.

26. (1) There shall be for every judicial district an officer who shall be called the "Family Counsellor".
- (2) Where a dispute in any action in respect of any matter within the jurisdiction of a Family Court, or any application for maintenance, comes up for inquiry or trial before a District Judge, Judge of the Family Court or Magistrate, as the case may be, such District Judge, Judge of the Family Court or Magistrate shall, unless any party to the action expresses in writing a desire to the contrary, refer such dispute to a Family Counsellor, who shall-
- (a) make every effort to induce the parties to settle such dispute; and
- (b) submit his report thereon to the District Judge, Judge of the Family Court or Magistrate as the case may be, within such time as may be specified by such District Judge, Judge of the Family Court or Magistrate.
- (3) Where any dispute is settled, the terms of settlement shall be entered, signed by each party to the dispute and the Family Counsellor, and be forwarded to the District Judge, Judge of the Family Court or Magistrate as the case may be who shall enter such terms of settlement as a decree of such Court.
- (4) Where a Family Counsellor is not able to settle any dispute referred to in subsection (1), he shall refer such dispute to the District Judge, Judge of the Family Court or Magistrate for determination after inquiry or trial.
- (5) No District Judge, Judge of a Family Court or Magistrate shall hold any inquiry or trial in respect of any dispute, until such dispute is referred to him by the Family Counsellor under subsection (4).
27. A person who is dissatisfied with a judgment, decree or order pronounced by the Family Court after inquiry or trial may, in accordance with any law, regulation or rule governing the manner and procedure for appeals from the District Court, prefer an appeal therefrom to the High Court for the Province established by Article 154P of the Constitution for any error in law or in fact.
28. (1) In the event of two or more separate proceedings or actions being instituted in respect of the same or substantially the same family dispute in more than one Family Court, any party to such proceedings or actions may apply, or any Judge of such Family Court in which the said proceedings or actions had been instituted may refer the matter, to the Court of Appeal which shall, in the exercise of its powers, as it may deem fit, transfer one or more of such proceedings or actions to one of the Family Courts, in which proceedings or actions have already been instituted by the said parties; so that, all such disputes may be conveniently or expeditiously heard and determined in one Family Court.
- (2) In the event of there being two or more proceedings or actions instituted or pending in the same Family Court as between the same parties or relating to substantially the same matter, it shall be competent for the said Court to direct that such proceedings or actions be consolidated into a single proceeding, if in the opinion of the said Court it is convenient to do so or it be so necessary in the interest of justice and the expeditious disposal of such matters in dispute. The Court may, in such an event make such order or deliver such judgment or enter such decree from time to time as the exigencies and justice of the case may require.
29. (1) All proceedings in a Family Court shall be instituted and conducted as expeditiously as possible in accordance with such regulations as may be prescribed:
- Provided that until such regulations have been so prescribed, the Family Court shall, as far as practicable, follow the provisions relating to summary procedure in the Civil Procedure Code (Chapter 101).
- (2) The provisions of the Adoption of Children Ordinance (Chapter 61) governing the institution and conducting of proceedings under the said Ordinance shall be deemed to apply to such proceedings that may be instituted in the Family Court.
- (3) All applications for the care and custody of minor children shall take precedence over all other matters in every Family Court and shall, unless exceptional circumstances so warrant, be heard from day to day to ensure the expeditious disposal of the same."
14. The following new Chapter is hereby inserted immediately after Chapter V of the principal enactment and shall have effect as Chapter VA of that enactment: -

"CHAPTER VA

SMALL CLAIMS COURTS

- 29A.(1) Every Small Claims Court shall be a court of record and shall have exclusive original civil jurisdiction and shall have cognizance of and full power to hear and determine all actions specified in the Seventh Schedule hereto:

Provided however, a Small Claims Court shall have no jurisdiction or power to hear and determine any action filed under the provisions of Chapter LIII of the Civil Procedure Code (Chapter 101) or action for the recovery of money to which special provisions are made under any other written law.

- (2) All actions specified in the Seventh Schedule shall not exceed a sum of rupees one million and five hundred thousand excluding interest, or such other amount as may be fixed by the Minister from time to time, by an Order published in the *Gazette*.
 - (3) An Order made under subsection (2) shall not have effect, until it is approved by Parliament and notification of such approval is published in the *Gazette*.
- 29B. The proceedings before any Small Claims Court may be taken by the special procedure for Small Claims Court as provided in the Small Claims Courts' Procedure Act, No. 33 of 2022 and any other written law.
- 29C. It shall be lawful for the Judge of every Small Claims Court, in pronouncing his order or judgment in any case, to make such order in respect of the payment of costs and expenses as to him shall appear just and reasonable.
- 29D.(1) Any person who is dissatisfied with any judgment pronounced by any Small Claims Court in any action, proceeding or matter to which he is a party, may, except where such right is expressly disallowed, prefer an appeal therefrom to the High Court for the Province established by Article 154P of the Constitution in which such Small Claims Court is situated for any error in law or in fact.
- (2) Any person who is dissatisfied with any order 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 by Article 154P of the Constitution in which such Small Claims Court is situated against such order for the correction of any error in law or in fact, with the leave of such High Court first had and obtained.
 - (3) Any person who is dissatisfied with any order made by any Small Claims Court setting aside or refusing to set aside the judgment entered upon default 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 by Article 154P of the Constitution in which such Small Claims Court is situated, for the correction of any error of law or fact, with the leave of such High Court first had and obtained.
 - (4) The provisions of Chapters LVIII, LIX, LX and LXI of the Civil Procedure Code (Chapter 101) with reference to appeal and the stay of execution pending appeal, shall apply so far as they are not inconsistent with the provisions of this Chapter.
 - (5) The Judge of every Small Claims Court shall conform to and execute all such judgments, orders, and decrees of the Supreme Court, Court of Appeal or High Court for the Province established by Article 154P of the Constitution as shall be made and pronounced in any appeal, in like manner as any original judgment or order pronounced by the said Judge could or might have been executed.
- 29E. It shall be the duty of the Judge of the Small Claims Court by all lawful means to make every effort to induce the parties, before or during the trial, to arrive at a settlement where appropriate and if the parties agree to a settlement, the settlement shall be recorded and signed by the parties and a judgment made in accordance with the terms as settled.”.
15. Section 31 of the principal enactment is hereby amended by the substitution for the words “appeal therefrom to the Court of Appeal”, of the words and figures “appeal therefrom to the High Court for the Province established by Article 154P of the Constitution.”.
16. The following new Chapter is hereby inserted immediately after Chapter VI of the principal enactment and shall have effect as Chapter VII of that enactment: -

“CHAPTER VII

PRIMARY COURTS

32. (1) Every Primary Court shall, subject to the provisions of any other law, have original civil jurisdiction where the debt, damage, demand or claim does not exceed one thousand five hundred rupees and shall also have jurisdiction in respect of the enforcement of bylaws of local authorities and matters relating to the recovery of revenue of such local authorities.

- (2) The Primary Courts shall have no jurisdiction in respect of the disputes referred to in the Fourth Schedule hereto, irrespective of the value of such claim.
33. (1) Every Primary Court shall have exclusive original criminal jurisdiction in respect of such offences as may, by regulation, be prescribed by the Minister and the Minister may, in that regulation specify in the case of each offence the limitations, restrictions and conditions in respect of each such offence.
- (2) The Primary Courts shall have sole and exclusive jurisdiction in respect of all offences alleged to have been committed in violation of the provisions of any enactment or any subsidiary legislation made thereunder, in respect of which jurisdiction is vested in such Court.
- (3) Anything in this section shall not preclude a Magistrate from convicting and passing sentence on any person found guilty after trial of any offence specified in subsection (1).
34. (1) Where any civil proceeding or matter is instituted in a Primary Court, it shall be the duty of the Judge of that Primary Court to summon the parties to appear before him and wherever appropriate to make every effort to induce such parties to arrive at a settlement before proceeding to inquiry or trial. Where such parties agree to a settlement, such settlement shall be recorded and signed by the parties thereto and shall be entered as a decree of the said Primary Court and be enforceable, as a decree thereof.
- (2) Where any criminal proceeding or matter is instituted in a Primary Court, it shall be the duty of the Judge of that Court to summon the parties concerned to appear before him and wherever appropriate to induce such parties to arrive at a settlement. Where such parties agree to a settlement, such settlement shall be recorded and signed by the parties concerned and notwithstanding anything to the contrary in any other law, the offence to which the proceeding or matter relates shall be compounded.
35. (1) Any party aggrieved by any judgment, order, decree, conviction or sentence, entered or imposed after inquiry or trial by a Primary Court may, subject to any law and in accordance with any law, regulation or rule governing the procedure and manner for so appealing, prefer an appeal therefrom to the High Court for the Province established by Article 154P of the Constitution for any error in law or in fact:
- Provided that where there is no such law, regulation or rule governing the procedure and manner for so appealing, the provisions relating to appeals from a Magistrate's Court shall apply to an appeal in a criminal matter or proceeding and the provisions relating to appeals from a District Court shall apply to an appeal in a civil matter or proceeding.
- (2) No appeal shall lie from any judgment, order, decree, conviction or sentence entered or imposed by reason of a settlement of the dispute between the parties arrived at under the provisions of this Chapter.
36. All proceedings in a Primary Court shall be instituted and conducted as expeditiously as possible in accordance with such law as may be applicable thereto and, if there be no such law, in accordance with the provisions relating to summary procedure in the Civil Procedure Code (Chapter 101) in respect of a civil matter or proceeding and in accordance with the provisions relating to summary trials in a Magistrate's Court in respect of a criminal matter or proceeding."
17. Section 37 of the principal enactment is hereby repealed and the following section is substituted therefor:-
37. There shall be a right of appeal to the Supreme Court in accordance with the provisions of the Constitution and of any other law-
- (a) from any judgment or order of the Court of Appeal in any appeal from the High Court of the Republic of Sri Lanka or the High Court for the Province established by Article 154P of the Constitution; or
- (b) from any judgment or order of the High Court for the Province established by Article 154P of the Constitution in any appeal from the District Courts, the family Courts, the Small Claims Courts, the Magistrates' Courts or the Primary Courts."
18. Section 38 of the principal enactment is hereby amended follows:-
- (1) by the renumbering of that section as subsection (1) thereof ; and
- (2) by the addition immediately after the renumbered subsection (1) thereof, of the following subsection:-
- "(2) Every Courts of First Instance other than the High Court for the Province established by Article 154P of the Constitution shall in all cases of appeal from such Courts of First Instance to the High Court for the Province established by Article 154P

of the Constitution conform to and execute all such judgments, orders and decrees of the High Court for the Province established by Article 154P of the Constitution, as shall be made and pronounced in such appeal in like manner as though such judgment, order or decree was made and pronounced by such Courts of First Instance.”.

19. Section 45 of the principal enactment is hereby amended by the repeal of subsection (4) thereof and the substitution thereof, of the following: -

“(4) Every Justice of the Peace and every Unofficial Magistrate appointed under subsections (2) and (3) shall take and subscribe or make and subscribe an oath or affirmation of office in such form as may be determined by the Minister before a Judge of the High Court, District Judge, Judge of the Family Court, Judge of the Small Claims Court, Magistrate, or Judge of the Primary Court and every such Judge is empowered and required, upon application in that behalf, to administer the same and to enter in the records of his court that the said oath or affirmation was duly administered and taken by him, and forthwith to transmit a copy of such entry to the Registrar of the Supreme Court to be entered in the records of that Court.”.

20. Section 49 of the principal enactment is hereby amended by the repeal of the proviso to subsection (3) of that section and the substitution thereof, of the following :-

“Provided that in every other case some other Judge of the High Court of the Republic of Sri Lanka, the High Court for the Province established by Article 154P of the Constitution, the District Court, Family Court, Small Claims Court, Magistrate of the Magistrate’s Court and Judge of the Primary Court, as the case may be, of any adjoining zone, district or division shall have jurisdiction to hear, try and determine such action, prosecution, proceeding or matter.”.

21. Section 52 of the principal enactment is hereby amended as follows:-

(1) in subsection (1) thereof, by the substitution for the words “to the High Court and to each of the District Courts, Small Claims Courts and Magistrates’ Courts”, of the words and figures “to the High Court of the Republic of Sri Lanka, and to the High Court for the Province established by Article 154P of the Constitution and to each of the District Courts, Family Courts, Small Claims Courts, Magistrates’ Courts and Primary Courts”; and

(2) in subsection (2) thereof, by the substitution for the words “Registrar of the High Court”, of the words and figures “Registrar of the High Court of the Republic of Sri Lanka and the Registrar of the High Court for the Province established by Article 154P of the Constitution”.

22. Section 54 of the principal enactment is hereby amended in subsection (1) thereto by the substitution for the words “Where in any action instituted in a High Court, District Court or Small Claims Court, it appears-”, of the words “Where in any action instituted in a High Court of the Republic of Sri Lanka, High Court for the Province established by Article 154P of the Constitution, District Court, Family Court or Small Claims Court, it appears-”.

23. Section 55 of the principal enactment is hereby repealed and the following section is substituted therefor:-

55. (1) Every District Court, Family Court, Small Claims Court, Magistrate’s Court and Primary Court shall, for the purpose of maintaining its proper authority and efficiency, have a special jurisdiction to take cognizance of, and to punish with the penalties in that behalf as hereinafter provided, every offence of contempt of court committed in the presence of the court itself and all offences which are committed in the course of any act or proceeding in the said court respectively, and which are declared by any law for the time being in force to be punishable as contempt of court.

(2) The following sentences of fines or imprisonment as the case may be, may be imposed on conviction for contempt by the following courts respectively, namely-

(a) by a District Court and Family Court a fine not exceeding two thousand five hundred rupees or imprisonment, either simple or rigorous, for a period not exceeding two years;

(b) by a Small Claims Court and Magistrate’s Court – a fine not exceeding one thousand five hundred rupees or imprisonment either simple or rigorous, for a period not exceeding eighteen months; and

(c) by a Primary Court – a fine not exceeding five hundred rupees or imprisonment, either simple or rigorous, for a period not exceeding three months.”.

24. The following new section is hereby inserted immediately after section 56 of the principal enactment and shall have effect as section 57 of that enactment: -

57. Where a Judge of a primary Court of any judicial division established under this Act has not been appointed, the Magistrate

of such division shall be deemed for all purpose to be and shall exercise all jurisdiction of the Judge of the Primary Court of such division until a Judge of such Primary Court is appointed:

Provided that where a Judge of a Primary Court of such division is appointed, the Magistrate of such division may hear and determine all prosecutions, actions, proceedings or matters in which such Magistrate has commenced the recording of any evidence.”.

25. The principal enactment is hereby amended by the insertion immediately after the Second Schedule thereof, of the following new Schedules: -

“THIRD SCHEDULE

[Section 24(2)]

Enactments

- (1) Adoption of Children Ordinance (Chapter 61)
- (2) Births and Deaths Registration Act (Chapter 110)
- (3) Civil Procedure Code (Chapter 101)
- (4) Jaffna Matrimonial Rights and Inheritance Ordinance (Chapter 58)
- (5) Legitimacy Act, No. 3 of 1970
- (6) Marriage Registration Ordinance (Chapter 112)
- (7) Married Women’s Property Ordinance (Chapter 56)
- (8) Matrimonial Rights and Inheritance Ordinance (Chapter 57)

FOURTH SCHEDULE

[Section 32(2)]

Actions excluded from the jurisdiction of Primary Courts

- (1) Any action concerning an act or order purporting to be done or made by the State or concerning an act purporting to be done by any person by order of the State.
- (2) Any action concerning an act purporting to be done by any person in pursuance of a judgement or order of a court or of a judicial officer acting in the execution of his office.
- (3) Any action concerning any act or order purporting to be done or made by any officer of the State in his official capacity.
- (4) Any action for the partition or sale of immovable property under the law relating to partition for the time being in force.
- (5) Any action by a mortgagee of immovable property for the enforcement of the mortgage or for the sale of the property, or by a mortgagor of immovable property for the redemption of the mortgage.
- (6) Any action to restrain waste.
- (7) Any action to recover from a person to whom compensation has been paid under the Land Acquisition Act (Chapter 460) or Land Reform Law No. 1 of 1972, the whole or any part of the compensation.
- (8) Any action for the specific performance or rescission of a contract or for damages for breach of contract.
- (9) Any action for the rectification or cancellation of an injunction.
- (10) Any action to obtain an injunction.
- (11) Any action relating to a trust including an action to make good out of the general estate of a deceased trustee the loss occasioned by a breach of trust, and any action by a co-trustee to enforce against the estate of a deceased trustee a claim for the contribution.
- (12) Any action for a declaratory decree including a decree for the declaration of title to land.
- (13) Any action for a property which the plaintiff has conveyed while insane or under other incapacity.
- (14) Any action to contest an award made by an arbitrator.

- (15) Any action upon a foreign judgement as defined in the Civil Procedure Code (Chapter 101) or upon a judgement obtained in any court in Sri Lanka.
- (16) Any action to compel a refund by a person to whom an executor or administrator has paid a legacy or distributed assets.
- (17) Any action for a legacy or for the whole or a share of a residue bequeathed by a testator or for the whole or a share of the property of an intestate.
- (18) Any action-
 - (a) for a dissolution of partnership or for the winding up of the business of a partnership after its dissolution;
 - (b) for an account of partnership transactions; or
 - (c) for a balance of partnership-account.
- (19) Any action for an account of property administered under decree or order of any court.
- (20) Any other action for an account, including an action by a mortgagor, after the mortgage has been satisfied, to recover surplus collection received by the mortgagee, and any action for the profits on immovable property belonging to the plaintiff which has been wrongfully received by the defendant.
- (21) Any action for a general average loss or for salvage.
- (22) Any action for compensation in respect of collision between ships.
- (23) Any action on a policy of insurance or for the recovery of any premium paid under any such policy.
- (24) Any action for compensation or damages -
 - (a) for loss resulting from the death of a person caused by actionable wrong;
 - (b) for wrongful arrest;
 - (c) for malicious prosecution;
 - (d) for wrongful restraint or confinement;
 - (e) for defamation;
 - (f) for adultery or seduction;
 - (g) for breach of contract of betrothal or promise of marriage;
 - (h) for inducing a person to break a contract made with the plaintiff;
 - (i) for obstruction to or interference with the enjoyment of any servitude or the exercise of any right over property.
- (25) Any action by a Muslim for the recovery of Mahr.
- (26) Any action for the custody of a minor.
- (27) Any action for a divorce or a judicial separation.
- (28) Any action relating to maintenance, affiliation or adoption.
- (29) Any action for contribution by a sharer in joint property in respect of a payment made by him of money due from a co-sharer.
- (30) Any action by one of several joint mortgagors of immovable property for contribution in respect of money paid by him for the redemption of the mortgaged property.
- (31) Any action against the State or a local authority to recover money paid under protest in satisfaction of a claim made on account of any tax or rate or other levy.
- (32) Any action under the Companies Act, No. 7 of 2007 as amended from time to time.
- (33) Any action relating to trade marks, patents or copyrights under the Intellectual Property Act, No. 36 of 2003.
- (34) Any action founded on nuisance.
- (35) Any action for rent and ejection and proceedings under the Rent Act, No. 7 of 1972.

- (36) Any action expressly or by implication excluded from the jurisdiction of Primary Courts by any written law (other than this Act) for the time being in force.”.
26. The principal enactment is hereby amended by the addition immediately after the Sixth Schedule thereof, of the following new Schedule: -

“SEVENTH SCHEDULE

[Section 29A(2)]

Actions

1. Any action for the recovery of money (either as a debt or fee or payment or damage or demand including an action for the recovery of damages on accident or personal injury or in any other similar category);
 2. Any action for the recovery of movable property;
 3. Any action for a counterclaim in respect of any cause of action specified in items 1 and 2;
 4. Any other jurisdiction as is conferred upon it by any other law.”.
27. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Value Added Tax (Amendment) Act, No. 44 of 2022

[Certified on 14th of December, 2022]

AN ACT TO AMEND THE VALUE ADDED TAX ACT, NO. 14 OF 2002

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

1. This Act may be cited as the Value Added Tax (Amendment) Act, No. 44 of 2022.
2. Section 2 of the Value Added Tax Act, No. 14 of 2002 (hereinafter referred to as the “principal enactment”) is hereby amended as follows:-
 - (1) in item (v) of sub-paragraph (v) of subsection (1) of that section by the substitution for the words and figures “November 30, 2019; and” of the words and figures “November 30, 2019;”;
 - (2) in item (vi) of sub-paragraph (v) of subsection (1) of that section by the substitution for the words and figures, “commencing on or after January 1, 2020” of the words and figures “commencing on or after January 1, 2020 but ending on or before May 31, 2022;” and
 - (3) by the insertion immediately after the item (vi) of subparagraph (v) of subsection (1) of that section of the following:-

“(vii) for the period commencing on June 1, 2022 and ending on June 30, 2022 and for any taxable period commencing on or after July 1, 2022 but ending on August 31, 2022 at the rate of twelve *per centum* (of which the tax fraction is 3/28); and

“(viii) for the period commencing on September 1, 2022 and ending on September 30, 2022 and for any taxable period commencing on or after October 1, 2022 at the rate of fifteen *per centum* (of which the tax fraction is 3/23).”.
3. Section 10 of the principal enactment is hereby amended in subsection (1) of that section as follows:-
 - (1) by the substitution in paragraph (vi), for the words and figures, “on or after January 1, 2020, carries on” of the words and figures “on or after January 1, 2020 but on or before September 30, 2022, carries on”;
 - (2) by the insertion immediately after paragraph (vi), of the following:-

“(vii) on or after October 1, 2022, carries on or carries out any taxable activity in Sri Lanka shall be required to be registered under this Act, if-

 - (a) at the end of any taxable period of one month or three months, as the case may be, the total value of the taxable supplies of goods or services or goods and services of such person, made in Sri Lanka in that taxable period of one month or three months, as the case may be, is twenty million rupees or more; or
 - (b) in the twelve months period then ending, the total value of the taxable supplies of goods or services or goods and services of such person, made in Sri Lanka has exceeded eighty million rupees; or

- (c) at any time, there are reasonable grounds to believe that the total value of the taxable supplies of goods or services or goods and services of such person, made in Sri Lanka, in the succeeding one month or three months taxable period, as the case may be, is likely to exceed twenty million rupees or in the succeeding twelve months period is likely to exceed eighty million rupees.”.
- (3) in the second proviso to subsection (1), by the substitution for the words and figures “from May 2, 2016.” of the following:-
“from May 2, 2016:
Provided further, for the purposes of paragraph (vii), the requirement for the registration shall arise from the date on which this (Amendment) Act comes into operation.”;
4. The First Schedule to the principal enactment is hereby amended in Part II thereof as follows:-
- (1) by the substitution in sub-item (d) of item (xi) of paragraph (b) of that PART, by the substitution for the words and figures “if such supply has taken place on or after December 1, 2019, by any person,” of the words and figures “if such supply has taken place on or after December 1, 2019, but on or before December 31, 2022, by any person,”; and
- (2) by the addition immediately after sub-item (d) of item (xi) of paragraph (b), of the following:-
“(e) if such supply has taken place on or after January 1, 2023, by any person, other than any lease or rent of residential accommodation or supply of any condominium residential accommodation.”.
5. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Inland Revenue (Amendment) Act, No. 45 of 2022

[Certified on 19th of December, 2022]

AN ACT TO AMEND THE INLAND REVENUE ACT, NO. 24 OF 2017

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 Inland Revenue (Amendment) Act, No. 45 of 2022.
- (2) The provisions of this Act (other than the provisions of sections referred to in *Table 'A', Table 'B' and Table 'C'*) shall come into operation on the date on which the certificate of the Speaker is endorsed thereon.
- (3) The provisions of sections referred to in *Table 'A'* shall be deemed to have come into operation on April 1, 2022.
- (4) The provisions of sections referred to in *Table 'B'* shall be deemed to have come into operation on October 1, 2022.
- (5) The provisions of sections referred to in *Table 'C'* shall be deemed to have come into operation on the respective dates specified in the Table.
2. Section 5 of the Inland Revenue Act, No. 24 of 2017 (hereinafter referred to as the “principal enactment”) is hereby amended as follows: -
- (1) in subsection (2) of that section-
- (a) in paragraph (c) of that subsection, by the substitution for the words “payments providing” of the words “payments providing”;
- (b) in paragraph (f) of that subsection, by the substitution for the words “retirement payments received” of the words “retirement payments received”; and
- (c) in paragraph (i) of that subsection, by the substitution for the words “the employment; and” of the words “the employment; and”;
- (2) in subsection (3) of that section-
- (a) in paragraph (e) of that subsection, by the substitution for the words “subsection (2)); and” of the words “subsection (2));”;
- (b) in paragraph (f) of that subsection, by the substitution for the words “approved by the Commissioner-General.” of the words “approved by the Commissioner-General; and”; and
- (c) by the addition immediately after paragraph (f) of that subsection, of the following new paragraph: -

“(g) any retirement payments received at the time of the retirement from employment, subject to the condition that the respective retirement contributions have already been considered for income tax purposes and the employee has paid tax on such contributions in a previous year of assessment.”.

3. Section 10 of the principal enactment is hereby amended in paragraph (b) of subsection (1) of that section as follows: -
 - (1) in subparagraph (iv) of that paragraph, by the substitution for the word “expenditure” of the words “expenditure or any other deduction”; and
 - (2) in subparagraph (x) of that paragraph, by the substitution for the words “the Commissioner- General.” of the words “the Commissioner-General and any tax or levy which is not allowed to be deducted in calculating a person’s income in terms of any other written law.”.
4. Section 12 of the principal enactment is hereby amended in paragraph (a) of that section, by the substitution for the words “where the debt obligation was incurred in borrowing money, the money is used during the year or was used”, of the words “the money borrowed under such debt obligation was used”.
5. Section 14 of the principal enactment is hereby amended as follows: -
 - (1) by the re-numbering of subsection (4) of that section, as subsection (5) of that section; and
 - (2) by the insertion immediately after subsection (3) of that section, of the following new subsection: -

“(4) In the event of the written down value referred to in subsection (2) is zero for a depreciable asset, notwithstanding the provisions of subsection (2), the deduction for improvement referred to in subsection (1) shall be deducted in equal amounts apportioned over-

 - (a) twelve years of assessment, for a Class 4 depreciable asset;
 - (b) three years of assessment, for other Classes of depreciable assets,

commencing from the year of assessment in which the expenditure was incurred.”.
6. Section 16 of the principal enactment is hereby amended as follows: -
 - (1) in paragraph (a) of subsection (1) of that section, by the substitution for the words “the Capital allowances” of the words and figures “subject to subsections (3) and (3A), the Capital allowances”; and
 - (2) by the insertion immediately after subsection (3) of that section, of the following new subsection: -

“(3A) The total of the Capital allowances granted and calculated under the Fourth Schedule to this Act in respect of a depreciable asset shall not exceed the cost of such depreciable asset in any circumstances.”.
7. Section 18 of the principal enactment is hereby amended as follows: -
 - (1) by the repeal of subsection (1) and subsection (2) of that section, and the substitution therefor of the following subsections: -

“(1) The amount of financial costs deducted in calculating-

 - (a) the income of an entity (other than a financial institution) from conducting a business or investment, for any year of assessment commencing prior to April 1, 2021 shall not exceed the amount of financial costs attributable to financial instruments within the limit referred to in paragraph (a) of subsection (2);
 - (b) the income of a company (other than a financial institution) which is incorporated in or outside Sri Lanka and having an issued share capital as at the date on which the year of assessment ends, from conducting a business or investment for any year of assessment commencing on or after April 1, 2021, shall not exceed the limit referred to in paragraph (b) of subsection (2).
 - (2) The limit shall be computed according to the following formula: -
 - (a) $A \times B$

Where:

‘A’ is the total of the issued share capital and reserves of the entity; and

‘B’ is-

 - (i) in the case of a manufacturing entity, the number 3; and

(ii) in the case of an entity other than a manufacturing entity, the number 4;

$$(b) \frac{A}{B} \times C$$

Where:

'A' = financial cost of the year;

'B' = value of financial instruments on which the financial cost incurred during the year; and

'C' = 4 x total of the issued share capital and reserves of the company as at the end of the year." ; and

(2) in subsection (3) of that section, by the substitution for the words "for the year." of the following: -

"for the year:

Provided that, in the case where there is no financial cost incurred during the year, in calculating the unused limitation for the above purpose, the limit referred to in subsection (2) shall be calculated by using the same amounts of the immediately preceding year and so on."

8. Section 19 of the principal enactment is hereby amended as follows: -

(1) in subsection (3) of that section, by the substitution for the words "in calculating exempt amounts.", of the words as follows:-

"in calculating exempt amounts:

Provided however, where a person had incurred a loss, in relation to a business which if it had been a profit would have been taxable at a rate specified under this Act and such rate is subsequently increased, such loss shall not be considered as being taxable at a reduced rate." ;

(2) in subsection (4) of that section-

(a) in paragraph (b) of that subsection, by the substitution for the words "income from an investment.", of the words "income from an investment; and";

(b) by the addition immediately after paragraph (b) of that subsection, of the following new paragraph: -

"(c) unrelieved losses from an investment shall be deducted only within the six years of assessment commencing on the first date of the year of assessment immediately succeeding the year of assessment in which such losses were incurred." ; and

(3) in subsection (5) of that section, by the substitution for the words "by any loss on the disposal of another investment asset.", of the words "by any loss."

9. Section 46 of the principal enactment is hereby amended in subsection (5) of that section by the repeal of paragraph (c) of that subsection and the substitution therefor, of the following paragraph: -

"(c) at the time of the transfer-

(i) prior to April 1, 2021-

(ia) the person and the associate were residents; and

(ib) the associate or, in the case of an associate partnership, none of its partners is exempt from income tax; and

(ii) on or after April 1, 2021-

(iia) the person and the associates are residents;

(iib) in the case of an associate partnership, any of its partners, or the associate, is not exempt from income tax; and

(iic) the tax rate applicable on the person's gain from the realisation of an asset referred to in subsection (4) is equal or less than the tax rate which is applicable on the gain of the associate from realisation of such asset; and"

10. Section 54 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and figures "its business or investment for that year of assessment (sections 6 and 7)." of the words "its business, investment or other income for that year of assessment."

11. Section 66 of the principal enactment is hereby amended in paragraph (c) of subsection (4) of that section, by the substitution for the words and figures "issued to make specific provisions relating to bad and doubtful debts under subsection (1) of section 76J", of the words and figures "issued for classification, recognition and measurement of credit facilities under the powers

- conferred by, subsection (1) of section 46, section 46A and subsection (1) of section 76J”.
12. Section 69 of the principal enactment is hereby amended in paragraph (b) of subsection (4) of that section, by the substitution for the words “in Sri Lanka; or” of the words “in Sri Lanka; or”.
13. Section 72 of the principal enactment is hereby amended in paragraph (a) of subsection (1) of that section, by the substitution for the word and figure “subsection (3)” of the word and figure “subsection (2)”.
14. Section 73 of the principal enactment is hereby amended in paragraph (c) of subsection (1) of that section as follows: -
- (1) in sub-paragraph (i) of that paragraph, by the substitution for the words “Sri Lanka; or”, of the words “Sri Lanka;”;
 - (2) in sub-paragraph (ii) of that paragraph, by the substitution for the words “permanent establishment;” of the words “permanent establishment; or”; and
 - (3) by the addition immediately after sub-paragraph (ii) of that paragraph, of the following new subparagraph:-

“(iii) paid by the Government of Sri Lanka, including such payments made by any institution on behalf of the Government of Sri Lanka;”.
15. Section 83A of the principal enactment is hereby amended as follows: -
- (1) in subsection (1) of that section, by the substitution for the words and figures “from April 1, 2020 on” of the words and figures “from April 1, 2020, but prior to January 1, 2023 on”;
 - (2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

“(1A) An employer shall deduct the Advance Personal Income Tax with effect from January 1, 2023 on any payment which falls under section 5 made to his employee, as specified by the Commissioner-General.”; and
 - (3) in subsection (2) of that section, by the substitution for the word and figure “subsection (1)”, of the words and figures “subsection (1) or subsection (1A)”.
16. Section 84A of the principal enactment is hereby amended as follows: -
- (1) in subsection (1) of that section, by the substitution for the words and figures “with effect from April 1, 2020, the taxpayer”, of the words and figures “with effect from April 1, 2020 but prior to January 1, 2023, the taxpayer”; and
 - (2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

“(1A) Subject to section 83A and subsection (3) of section 84, with effect from January 1, 2023, a person shall deduct Advance Income Tax from the payment of dividend, interest, discount, charge, natural resource payment, rent, royalty or premium which has a source in Sri Lanka, at the rate provided in paragraph 10 of the First Schedule to this Act.”.
17. Section 85 of the principal enactment is hereby amended as follows: -
- (1) in subsection (1A) of that section, by the substitution for the words “a person shall.”, of the words “a person shall, prior to January 1, 2023”;
 - (2) by the insertion immediately after subsection (1A) of that section, of the following new subsections: -

“(1B) Subject to subsections (2) and (3), with effect from January 1, 2023, a person shall withhold tax at the rate of 14% of the payment, where such person pays a service fee or an insurance premium with a source in Sri Lanka to a non- resident person.

(1C) Subject to subsection (3), with effect from January 1, 2023, a person shall withhold tax at the rate of 5% of the payment, where such person pays a service fee with a source in Sri Lanka to a resident individual who is not an employee of the payer –

 - (a) for teaching, lecturing, examining, invigilating or supervising an examination;
 - (b) as a commission or brokerage to a resident insurance, sales or canvassing agent; or
 - (c) for services provided by such individual in the capacity of independent service provider such as doctor, engineer, accountant, lawyer, software developer, researcher, academic or any individual service provider as may be prescribed by regulation:

Provided however, this subsection shall not apply to a service payment which does not exceed Rs.100,000 per month.”;

and

- (3) in paragraph (a) of subsection (3) of that section, by the substitution for the word and figures "section 83;", of the words and figures "section 83, section 83A or section 84A;".
18. Section 87 of the principal enactment is hereby amended in subsection (4) of that section, by the substitution for the word and figures "section 83,", of the words and figures "section 83 or section 83A,".
19. Section 88 of the principal enactment is hereby amended in subsection (1A) of that section, by the insertion immediately after paragraph (a) of that subsection of the following new paragraph: -
 "(aa) on or after January 1, 2023, dividends paid by a resident company;".
20. Section 90 of the principal enactment is hereby amended in paragraph (b) of subsection (1) of that section, by the substitution for the word and figures "section 83.", of the following: -
 "section 83 or section 83A:
 Provided however, gains derived or expected to be derived from the realisation of an investment asset, during a year of assessment shall not be considered for the purpose of quarterly installments.".
21. Section 94 of the principal enactment is hereby amended as follows: -
 (1) in subsection (1) of that section-
 (a) in paragraph (b) of that subsection, by the substitution for the word and figure "section 2.", of the words and figure "section 2; or"; and
 (b) by the addition immediately after paragraph (b) of that subsection, of the following new paragraph: -
 "(c) an individual whose tax payable for the year of assessment under paragraph (a) of subsection (1) of section 2 relates exclusively to income from employment where the employer has deducted Advance Personal Income Tax under section 83A and no tax shall be payable under paragraph (b) or (c) of subsection (2) of section 82."; and
 (2) in subsection (3) of that section, by the substitution for the words "during the year.", of the words and figures "during the year or where such person's employer has deducted Advance Personal Income Tax on his employment income, under section 83A.".
22. Section 120 of the principal enactment is hereby amended in subsection (1A) of that section, by the substitution for the words "exempted gains and profits.", of the following: -
 "exempted gains and profits:
 Provided however, in the case where such person has commonly incurred expenses or commonly used any assets, on all business or investment activities and any expense or deduction cannot be separately identified for the purpose of this subsection, it shall be lawful to divide such expenses or deductions on a proportionate basis (according to the proportion of turnover or proportion of asset usage) in preparing such financial statements.".
23. Section 123 of the principal enactment is hereby amended as follows: -
 (1) in subsection (1) of that section, by the substitution for the words "notice in writing-", of the words "notice in writing or by electronic means-"; and
 (2) by the addition immediately after subsection (5) of that section of the following new subsections: -
 "(6) Notwithstanding anything to the contrary in any other written law, the Commissioner-General may, by notice, require the Commissioner-General of Elections to provide the names, addresses or National Identity Card numbers of such persons as may be specified in such notice, and it shall be the duty of the Commissioner-General of Elections to provide such particulars to the Commissioner-General or provide access to the records under his custody, to a tax official authorized by the Commissioner-General.
 (7) Notwithstanding anything to the contrary in any other written law, the Registrar-General of Companies shall provide information to the Commissioner-General on any changes or new appointments in relation to the directors of companies registered with the Registrar-General of Companies, including the names and addresses of such directors, once in every six months.".
24. Section 133 of the principal enactment is hereby amended in subsection (2) of that section, by the substitution for the words "with notice, in writing," of the words "with notice, in writing or by electronic means,".
25. Section 134 of the principal enactment is hereby amended in subsection (4) of that section, by the substitution for the words "with notice, in writing," of the words "with notice, in writing or by electronic means,".

26. Section 135 of the principal enactment is hereby amended in subsection (5) of that section, by the substitution for the words “with notice, in writing,” of the words “with notice, in writing or by electronic means,”.
27. Section 136 of the principal enactment is hereby amended in paragraph (b) of subsection (2) of that section, by the substitution for the word and figures “section 135.”, of the words and figures “section 135, for any year of assessment ending prior to April 1, 2022 and within a period of twelve months from the date on which the self-assessment return was filed, for any year of assessment commencing on or after April 1, 2022.”.
28. Section 151 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words “in writing”, of the words “in writing or by electronic means”.
29. Section 163 of the principal enactment is hereby amended by the addition immediately after subsection (4) of that section, of the following new subsections:-
- “(5) The amount of tax, any penalty and interest due as at the date of the certificate referred to in subsection (3) and any legal interest due on the amount stated in the certificate from the date of such certificate up to the date of the judgement shall be the tax that is due and payable to the Commissioner-General.
- (6) The proceedings instituted on or after January 1, 2023, under this section shall be completed within thirty months from the date of production of the certificate referred to in subsection (3).”.
30. Section 176 of the principal enactment is hereby amended as follows: -
- (1) by the repeal of subsection (2) of that section, and the substitution therefor of the following subsection: -
- “(2) Procedures for the assessment, payment, collection, and dispute of a tax shall apply equally to penalties relating to a tax.”; and
- (2) by the insertion immediately after subsection (6) of that section, of the following new subsection: -
- “(6A) For the purposes of subsection (6), it shall be lawful to issue a single notice of assessment stating the penalty charged under this Chapter together with the tax and interest payable in complying with the other provisions of this Act.”.
31. Section 182 of the principal enactment is hereby amended as follows: -
- (1) in subsection (1) of that section, by the substitution for the words “A person”, of the words and figures “For any year of assessment ending prior to April 1, 2023, a person”; and
- (2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -
- “(1A) For any year of assessment commencing on or after April 1, 2023, a person who fails to maintain proper accounts, records or documents as required by this Act shall be liable for a penalty calculated as provided for in subsection (2).”.
32. Section 195 of the principal enactment is hereby amended as follows: -
- (1) in the definition of the expression “export” of that section, by the substitution for the word “undertaking;”, of the words and figures “undertaking, prior to April 1, 2022;”;
- (2) in the definition of the expression “Small and Medium Enterprise” of that section, by the substitution in paragraph (d) of that definition for the words “the person’s or his” of the words “the person’s and his”; and
- (3) in the definition of the expression “specified undertaking” of that section, by the substitution in paragraph (h) of that definition, for the words “in Sri Lanka in foreign currency;”, of the following: -
- “in Sri Lanka in foreign currency:
- Provided however, where the exporter was prevented from making payments in foreign currency for services referred to in this paragraph, due to any directive of the Central Bank, the exporter shall issue a confirmation of his foreign currency receipts;”.
33. The First Schedule to the principal enactment is hereby amended as follows: -
- (1) in paragraph 1 of that Schedule –

- (a) in subparagraph (1A) of that paragraph, by the substitution for the word and figures “January 1, 2020”, of the words and figures “January 1, 2020, but prior to April 1, 2022”;
- (b) by the insertion immediately after subparagraph (1A) of that paragraph, of the following new subparagraphs: -

“(1B) Subject to the provisions of subparagraph (2), the taxable income of a resident or non-resident individual for the year of assessment commencing from April 1, 2022 shall be taxed at the following rates: -

(a) Taxable income for the first nine months period of the year of assessment commencing from April 1, 2022:-

<i>Taxable Income</i>	<i>Tax payable</i>
Not exceeding Rs. 2,250,000	6% of the amount in excess of Rs. 0
Exceeding Rs. 2,250,000 but not exceeding Rs. 4,500,000	Rs. 135,000 plus 12% of the amount in excess of Rs. 2,250,000
Exceeding Rs. 4,500,000	Rs. 405,000 plus 18% of the amount in excess of Rs. 4,500,000;

(b) Taxable income for the second three months period of the year of assessment commencing from April 1, 2022:-

<i>Taxable Income</i>	<i>Tax payable</i>
Not exceeding Rs. 125,000	6% of the amount in excess of Rs. 0
Exceeding Rs. 125,000 but not exceeding Rs. 250,000	Rs. 7,500 plus 12% of the amount in excess of Rs. 125,000
Exceeding Rs. 250,000 but not exceeding Rs. 375,000	Rs. 22,500 plus 18% of the amount in excess of Rs. 250,000
Exceeding Rs. 375,000 but not exceeding Rs. 500,000	Rs. 45,000 plus 24% of the amount in excess of Rs. 375,000
Exceeding Rs. 500,000 but not exceeding Rs. 625,000	Rs. 75,000 plus 30% of the amount in excess of Rs. 500,000
Exceeding Rs. 625,000	Rs. 112,500 plus 36% of the amount in excess of Rs. 625,000;

(1C) Subject to the provisions of subparagraph (2), the taxable income of a resident or non-resident individual for a year of assessment commencing from April 1, 2023 shall be taxed at the following rates:-

<i>Taxable Income</i>	<i>Tax payable</i>
Not exceeding Rs. 500,000	6% of the amount in excess of Rs.0
Exceeding Rs. 500,000 but not exceeding Rs. 1,000,000	Rs. 30,000 plus 12% of the amount in excess of Rs. 500,000
Exceeding Rs. 1,000,000 but not exceeding Rs. 1,000,000	Rs. 30,000 plus 12% of the amount in excess of Rs. 500,000
Exceeding Rs.1,000,000 but not exceeding Rs. 1,500,000	Rs. 90,000 plus 18% of the amount in excess of Rs. 1,000,000
Exceeding Rs. 1,500,000 but not exceeding Rs. 2,000,000	Rs. 180,000 plus 24% of the amount in excess of Rs. 1,500,000
Exceeding Rs. 2,000,000 but not exceeding Rs. 2,500,000	Rs. 300,000 plus 30% of the amount in excess of Rs. 2,000,000
Exceeding Rs. 2,500,000	Rs. 450,000 plus 36% of the amount in excess of Rs. 2,500,000”;

- (c) in subparagraph (5) of that paragraph, by the substitution for the word and figures “April 1, 2021: -”, of the words and figures “April 1, 2021, but prior to January 1, 2023: -”;

- (2) in paragraph 3 of that Schedule, by the repeal of subparagraph (1) of that paragraph and the substitution therefor, of the following subparagraph: -
- “(1) Subject to the provisions of subparagraph (2), the taxable income of a trust for a year of assessment to which subsection (1) of section 57 applies shall be taxed at the rate of –
- (a) 24% prior to January 1, 2020;
 - (b) 18% with effect from January 1, 2020, but prior to April 1, 2022;
 - (c) 18% for the first six months of the year of assessment commencing on April 1, 2022 and for the second six months of the same year of assessment at the rate of 30%; and
 - (d) 30% with effect from April 1, 2023.”;
- (3) in paragraph 4 of that Schedule-
- (a) in subparagraph (1) of that paragraph-
 - (i) by the repeal of item (b) of that subparagraph, and the substitution therefor of the following item: -

“(b) with effect from January 1, 2020, but prior to April 1, 2022, shall be taxed at the rate of 24%.”;
 - (ii) by the addition immediately after item (b) of that subparagraph, of the following new items: -

“(c) shall be taxed at the rate of 24% for first six months of the year of assessment commencing on April 1, 2022 and for second six months of the same year of assessment at the rate of 30%; and

(d) with effect from April 1, 2023 shall be taxed at the rate of 30%.”;
 - (b) in subparagraph (2A) of that paragraph, by the substitution for the word and figures “January 1, 2020: -”, of the words and figures “January 1, 2020 but prior to April 1, 2022 and for the first six months of the year of assessment commencing on April 1, 2022: -”;
 - (c) by the addition immediately after subparagraph (2A) of that paragraph, of the following new subparagraph:-

“(2B) Such part of the following gains and profits of a company which includes in its taxable income for the six months period commencing on October 1, 2022 in the year of assessment commencing on April 1, 2022 and for any year of assessment commencing on or after April 1, 2023, the gains and profits of a company shall be taxed at the following rates:-

 - (a) gains and profits from conducting betting and gaming-40%; and
 - (b) gains and profits from the manufacture and sale or import and sale of any liquor or tobacco product-40%.”;
 - (d) in item (a) of subparagraph (4) of that paragraph, by the substitution for the words and figures “rate of 10%; and” of the words and figures “rate of 10% prior to October 1, 2022 and 30% with effect from October 1, 2022; and”;
 - (e) in subparagraph (5) of that paragraph, -
 - (i) by the substitution for the word and figures “subparagraphs (1), (2A),” of the word and figures “subparagraphs (1), (2A), (2B),”;
 - (ii) in item (b) of that subparagraph, by the substitution for the words “for the two years of assessment immediately succeeding that year of assessment,” of the words and figures “for the first six months of the year of assessment commencing from April 1, 2022”; and
 - (iii) by the repeal of item (ii) of sub-paragraph (b) of that subparagraph and the substitution therefore of the following:-

“(ii) an increase in exports (other than specified undertakings) by fifty *per centum* in the first six months of the year of assessment commencing from April 1, 2022, compared to the first six months of the first year.”;
- (4) in subparagraph (1) of paragraph 5 of that Schedule, by the substitution for the words and figures “shall be taxed at the rate of 28% prior to January 1, 2020 and 24% with effect from January 1, 2020.”, of the following: -
- “shall be taxed at the rate of –
- (a) 28% prior to January 1, 2020;
 - (b) 24% with effect from January 1, 2020, but prior to April 1, 2022;

- (c) 24% for the first six months of the year of assessment commencing on April 1, 2022 and for the second six months of the same year of assessment at the rate of 30%; and
- (d) 30% with effect from April 1, 2023.”;
- (5) in paragraph 7 of that Schedule-
- (a) by the repeal of subparagraph (1) of that paragraph and the substitution therefor, of the following subparagraph: -
- “(1) Subject to subparagraph (2), the taxable income of a non-governmental organization for a year of assessment shall be taxed at the rate of –
- (a) 28% prior to January 1, 2020;
- (b) 24% with effect from January 1, 2020, but prior to April 1, 2022;
- (c) 24% for the first six months of the year of assessment commencing on April 1, 2022 and for the second six months of the same year of assessment at the rate of 30%; and
- (d) 30% with effect from April 1, 2023.”;
- (b) by the repeal of subparagraph (3) of that paragraph and the substitution therefor, of the following subparagraph: -
- “(3) The rate of tax payable by a nongovernmental organization on amounts received in a year of assessment by way of grant, donation or contribution or in any other manner under section 68 shall-
- (a) prior to January 1, 2020, be 28%;
- (b) be 24% with effect from January 1, 2020, but prior to April 1, 2022;
- (c) be 24% for the first six months of the year of assessment commencing on April 1, 2022 and for the second six months of the same year of assessment, be 30%; and
- (d) be 30% with effect from April 1, 2023.”; and
- (6) in subparagraph (1) of paragraph 10 of that Schedule -
- (a) in item (a) of that subparagraph, by the substitution for the words and figures “section 83 applies-”, of the words and figures “section 83 or section 83A applies-”;
- (b) in item (b) of that subparagraph, by the substitution for the words and figures “section 84(1)(a)(i) applies-”, of the words and figures “section 84(1)(a) applies-”; and
- (c) by the addition immediately after item (c) of that subparagraph, of the following new item:-
- “(d) for payments to which section 84A (1A) applies –
- (i) rent payments made to a resident person where the aggregate payment does not exceed Rs. 100,000 per month – 0%;
- (ii) interest or discount paid – 5%;
- (iii) rent payments made to a resident person where the aggregate payment exceeds or is equal to Rs. 100,000 per month – 10% on full amount;
- (iv) all other payments except dividend – 14%; and
- (v) dividend paid-15%.”; and
- (7) in paragraph 11 of that Schedule, by the substitution for the words “five years”, of the words “two years”.
34. The Second Schedule to the principal enactment is hereby amended in paragraph 1 of that Schedule, by the insertion immediately after subparagraph (6) of that paragraph, of the following new subparagraph: -
- “(6A) Commencing from the first date of investment on a depreciable asset, three years of project implementation period shall be provided to a person who has not made his intended total investment under a subparagraph of this paragraph. Notwithstanding the provisions of subparagraph (6), capital allowance arising under a subparagraph of this paragraph shall be deducted in that year of assessment in which he has completed the total intended investment, but before the expiration of such project implementation period.”.

35. The Third Schedule to the principal enactment is hereby amended as follows: -

- (1) by the insertion immediately after paragraph (g) of that Schedule, of the following new paragraph: -

“(gg) a gain made by an entity fully owned by the Government of Sri Lanka as a gain from the realisation of a capital asset or liability of the business or realisation of an investment asset, if such gain was made due to any decision by the Government of Sri Lanka as being essential for the economic development of Sri Lanka and subject to the prior written approval of the Minister;”;
- (2) in paragraph (hh) of that Schedule, by the substitution for the word and figures “April 1, 2021”, of the words and figures “April 1, 2021 but prior to October 1, 2022”;
- (3) in paragraph (oo) of that Schedule, by the substitution for the words and figures “on or after January 1, 2020”, of the words and figures “on or after January 1, 2020 but prior to October 1, 2022”;
- (4) by the insertion immediately after paragraph (oo) of that Schedule, of the following new paragraph: -

“(ooo) on or after October 1, 2022, a dividend paid by a resident company-

 - (i) which is engaged in any one or more of the following businesses in accordance with the provisions of Part IV of the Finance Act, No. 12 of 2012 and which has entered into an agreement with the Board of Investment of Sri Lanka established under the Board of Investment of Sri Lanka Law, No. 4 of 1978: -
 - (ia) entrepot trade involving import, minor processing and re-export;
 - (ib) offshore business where goods can be procured from one country or manufactured in one country and shipped to another country without bringing the same into Sri Lanka;
 - (ic) providing front-end services to clients abroad;
 - (id) headquarters operations of leading buyers for management of financial supply chain and billing operations;
 - (ie) logistics services including bonded warehouse or multi-country consolidation in Sri Lanka;
 - (ii) to a member to the extent that such dividend payment is attributable to, or derived from, another dividend received by that resident company or another resident company which is subject to Advance Income Tax under subsection (1A) of section 84A;”;
- (5) in paragraph (rr) of that Schedule, by the substitution for the words “dividends and gains”, of the words and figures “dividends and gains prior to October 1, 2022,”;
- (6) in paragraph (u) of that Schedule-
 - (a) in subparagraph (ii) of that paragraph, by the substitution for the word and figures “January 1, 2020,”, of the words and figures “January 1, 2020, but prior to April 1, 2023,”;
 - (b) in subparagraph (v) of that paragraph-
 - (i) in that subparagraph, by the substitution for the words “any vocational”, of the words and figures “prior to April 1, 2023, any vocational”;
 - (ii) in item (b) of that subparagraph, by the substitution for the words “five years”, of the words “two years”;
 - (iii) in the proviso to that subparagraph, by the substitution for the words “next four years”, of the words “next year”;

and
 - (c) in subparagraph (vi) of that paragraph, by the substitution for the words “any business”, of the words and figures “prior to April 1, 2023, any business”; and
- (7) in paragraph (w) of that Schedule, by the substitution for the words and figures “on or after April 1, 2021,”, of the words and figures “on or after April 1, 2021 but prior to April 1, 2023,”.

36. The Fifth Schedule to the principal enactment is hereby amended as follows: -

- (1) in subparagraph (e) of paragraph 1 of that Schedule, by the substitution for the words “acquisition or merger of any other financial institution where”, of the words and figures “acquisition, partial acquisition, absorption of business or merger of, any other bank licensed under the Banking Act, No. 30 of 1988, finance company licensed under the Finance Business Act, No. 42 of 2011 or finance leasing company registered in terms of paragraph (c) of section 3 of the Finance Leasing Act, No. 56 of 2000 where”; and

(2) in paragraph 2 of that Schedule-

(a) by the repeal of subparagraph (a) of that paragraph and the substitution therefor, of the following subparagraph: -

“(a) (i) Rs. 500,000, for each year of assessment prior to January 1, 2020;

(ii) Rs. 3,000,000, for each year of assessment commencing on or after January 1, 2020, but prior to April 1, 2022;

(iii) Rs. 2,250,000, for first nine months and Rs. 300,000 for second three months of the year of assessment commencing on April 1, 2022; and

(iv) Rs. 1,200,000, for each year of assessment commencing on or after April 1, 2023,

except that an individual who is a trustee, receiver, executor or liquidator shall not be entitled to deduct this personal relief as such trustee, receiver, executor or liquidator, and the relief shall not be deducted against gains from the realisation of investment assets;” and

(b) in subparagraph (f) of that paragraph, by the substitution for the words and figures “on or after January 1, 2020: -”, of the words and figures “on or after January 1, 2020, but prior to April 1, 2022 and sum of Rs. 900,000, incurred for the first nine months of the year of assessment commencing on April 1, 2022: -”.

37. The Sixth Schedule to the principal enactment is hereby amended as follows: -

(1) in item (b) of subparagraph (4) of paragraph 1 of that Schedule, by the substitution for the words “that are used to improve business processes or productivity and fixed”, of the words “that are fixed”;

(2) by the re-numbering of paragraphs 3, 4, 5, 6, 7, 8, 9 and 11 of that Schedule as paragraphs 2, 3, 4, 5, 6, 7, 8 and 9 of that Schedule, respectively;

(3) in the re-numbered paragraph 8 of that Schedule, by the substitution for the words “zero percent.”, of the words and figures “zero percent, if such payment has been made to the Commissioner-General prior to October 1, 2022.”; and

(4) in subparagraph (1) of paragraph 10 of that Schedule, by the substitution for the words “three years”, of the words “two years”.

38. (1) The income tax payable by a person for the year of assessment commencing on April 1, 2022, shall be calculated separately for two periods of the year of assessment as first nine months and second three months by individuals and first six months and second six months by persons other than individuals. For the purpose of such calculation of business income, the person may use pro-rata basis (as 75% for first nine months and balance 25% for second three months by individuals and 50% for first six months and balance 50% for second six months by persons other than individuals) to arrive the taxable income for such two periods.

(2) Subject to the provisions of this Act, a person may submit a revised estimate for the purpose of tax payable by instalments.

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

Table 'A'

(section 1)

<i>Column I</i>	<i>Column II</i>
<i>section of this Act</i>	<i>section of the principal enactment</i>
2	5
4	12
5	14
6	16
11	66
18	87
21	92A
22	94
23	120
25	133
26	134
27	135
28	136
35(1) and (3)	195
36(1), (2), (3), (4) and (5)	subparagraphs (1A) and (1B) of paragraph 1, paragraphs 3, 4, 5 and 7 of the First Schedule
37	subparagraph (6A) of paragraph 1 of the Second Schedule
38(1)	paragraph (gg) of the Third Schedule
40(1) and (2) Schedule	item (b) of subparagraph (4) of paragraph 1 and paragraphs 2,3,4,5,6,7,8 and 9 of the Sixth
41	new section

Table 'B'

(section 1)

<i>Column I</i>	<i>Column II</i>
<i>section of this Act</i>	<i>section of the principal enactment</i>
36(1)	subparagraph (5) of paragraph (1) of the First Schedule
38 (2), (3), (4) and (5)	paragraphs (hh), (oo), (ooo) and (rr) of the Third Schedule
39(2)	paragraph (2) of the Fifth Schedule
40 (3) and (4)	paragraphs (8) and (10) of the Sixth Schedule

Table 'C'

(section 1)

<i>Column I</i>	<i>Column II</i>	<i>Column III</i>
<i>section of this Act</i>	<i>section of the principal enactment</i>	<i>Date of operation</i>
3	10	01.04.2021
7	18	01.04.2021
8	19	01.04.2018
9	46	01.04.2021
10	54	01.04.2018
12	69	01.04.2018
13	72	01.04.2018
14	73	01.04.2018
15	83A	01.01.2023
16	84A	01.01.2023
17	85	01.01.2023
19	88	01.01.2023
20	90	01.04.2021
29	139	01.04.2023
35(2)	195	01.04.2020
36(1) and (7)	subparagraph (1C) of paragraph 1 and paragraph 11 of the First Schedule	01.04.2023
38(6) and (7)	paragraph (u) and (w) of the Third Schedule	31.03.2023
39(1)	subparagraph (e) of paragraph (1) of the Fifth Schedule	01.04.2021

