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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1837/53 - 2013 නොවැම්බර් මස 22 වැනි සිකුරාදා - 2013.11.22  
No. 1837/53 - FRIDAY, NOVEMBER 22, 2013

(Published by Authority)

**PART IV (A) - PROVINCIAL COUNCILS**

**Provincial Councils Notifications**

**SOUTHERN PROVINCE PROVINCIAL COUNCIL**

**Statute No. 01 of 2013 Pawn Brokers of the Southern Province Provincial Council**

I, do hereby append below to the notice of all.

The above statute passed on 13.08.2013 by Southern Provincial Council of the Socialist Republic of Sri Lanka which was sanctioned by H. E. Governor of the Southern Province on 31.10.2013.

GUSTINGGNA WADU Shan VIJAYALAL DE SILVA.  
Chief Minister and Minister of Finance, Plan  
Implementation, Law and Order, Transport,  
Water Supply & Drainage, Power,  
Engineering, Health & Indigenous Medicine  
and Local Government.

Chief Minister's Office,  
Upper Dickson Road,  
Galle.  
13th November, 2013.

**STATUTE NO. 01 OF 2013 PAWN BROKERS OF THE SOUTHERN PROVINCE PROVINCIAL COUNCIL**

A STATUTE TO PROVIDE FOR THE REGULATION OF THE BUSINESS OF PAWN BROKERS ; WHICH IS INCONSISTENT WITH THE PROVISIONS OF THE PAWN BROKERS ORDINANCE NO. 31 OF 1942 AND FOR OTHER MATTERS CONNECTED THEREIN AN INCIDENTAL THERETO

1. This statute may be cited as the Southern Province Provincial Pawnbrokers Statute No. 01 of 2013 and shall come into operation on such date as the Governor of the Southern Province may give his assent ; Short title and date of operation.



## PART I

*DUTIES OF PAWN BORKERS*

Certain persons prohibited from carrying on the business of a pawnbroker.

2. No. persons shall carry on the business of a pawnbroker an appointed date if such person -

- (i) is an individual who is not a citizen of Sri Lanka ; or
- (ii) is a foreign company ; or
- (iii) is a foreign firm.

and accordingly any licence to carry on such business which was issued to any such individual, foreign company or foreign firm and was in force on the day immediately prior to the appointed due date shall, on and after the said date, be deemed, for all purposes, to be null and void.

Pawnbroker's licence.

3. (1) No person shall carry on the business of a pawabroker unless he is holder of a licence issued in respect of every shop or branch and issued separately for each shop or branch by the Chief Secretary.

(2) Every licence issued under this Section shall be in the Form A set out in the First Schedule.

(3) Every licence shall be dated on the day of which it is issued, and shall expire on the thirty-first day of December next ensuing.

Transfer of business without prior approval of Chief secretary.

4. The holder of a licence issued under Section 3 shall not transfer the business to which such licence relates to any other person without the prior approval in writing the Chief Secretary.

Copies of licence to be sent to Superintendent of Police.

5. The Chief Secretary shall forward a copy of each licence issued under Section 3 to the Superintendent of Police of the district within which the business to which such licence relates, is carried on.

Application for licence.

6. (1) Every person desirous of obtaining a licence for carrying on the business of a pawnbroker shall make application in that behalf to the Chief Secretary.

(2) Every application for a licence shall be accompanied by a prescribed fee.

(3) The Minister in charge the subject of Finance may decide the licence fee by a notification published in the *Gazette* from time to time.

(4) If a pawnbroker, who is carrying on business of pawnbroker fails to renew licence annually on due date shall be charged of a late fee at the rate of 10% of the licence fee for every month the business was carried on without a licence.

(5) The applicant shall produce an affidavit stating that he has not engaged in any unlawful or illegal act.

Issue of licences to certain persons prohibited.

(7) No licence for carrying on the business of a pawnbroker shall be issued to any person who is prohibited from carrying on such business by virtue of the operation of the provisions of Section 2, and accordingly any such licence issued to any such person, whether by inadvertence or otherwise, shall be deemed, for all purposes, to be nul and void.

<p>8. (1) No licence for carrying on the business of a pawnbroker shall be issued to any person if -</p> <p>(a) at any time during the five years immediately preceding the date on which he makes his application for such licence, he has been found guilty of any act rendered punishable under Chapter XI, XIII, XVII, or XVIII of the Penal Code, or under the provisions of this Statute ; or</p> <p>(b) he fails to submit annual statement of accounts under Section 46(2).</p>	<p>Refusal of licence.</p>
<p>9. Where the holder of a licence issued under Section 3 makes an application for a renewal of such licence, the Licensing officer may refuse to renew such licence, if he is of an opinion that such holder has, during any period preceding such application, and in relation to his business as a pawnbroker, dealt in practices which are contrary to the provisions of this statute. That person shall be informed in writing of the reason for such refusal within 30 days.</p>	<p>Renewal of licence.</p>
<p>10. (1) Any person who is dissatisfied with any decision relating to the issued licence being cancelled or refusal of renewal may appeal within thirty days to the Appeal Board against such decision.</p> <p>(2) The Appeal Panel shall consist of two retired judicial officers appointed by the Governor.</p>	<p>Appeal.</p>
<p>11. No licence for carrying on the business of a pawnbroker shall be issued to any person unless he furnishes security in cash of Rupees 100,00/- as may be ordered by the Chief Secretary.</p>	<p>Security to be furnished before licence is issued.</p>
<p>12. Every pawnbroker who intends to be absent from Sri Lanka for any period exceeding three months shall -</p> <p>(a) give written notice of his intention to the Chief Secretary ; and</p> <p>(b) appoint a person (being a person entitled under this Ordinance to a licence for carrying on the business of a pawnbroker) to act for him and on his behalf during his absence from Sri Lanka, and give to the Chief Secretary written notice of the name of the person so appointed.</p>	<p>Notice of pawnbroker's absence from Sri Lanka.</p>
<p>13. No pawnbroker shall take any article on pawn before 8 a.m. or after 8 p.m. on any day.</p>	<p>Hours of business.</p>
<p>14. No pawnbroker shall act as or carry on the business of an auctioneer.</p>	<p>Pawnbroker not to act as auctioneer.</p>
<p>15. Every pawnbroker shall -</p> <p>(a) always keep exhibited in large characters over the outer door of his shop or place of business his name with the word "Pawnbroker" in Sinhala, Tamil and English ; and</p> <p>(b) always keep exhibited in a conspicuous part of his shop or place of business so as to be clearly visible to and legible by every person resorting thereto a notice containing in Sinhala, Tamil and English the particulars set out in the Third Schedule.</p>	<p>Notices, &amp;c., to be exhibited by pawnbrokers.</p>
<p>16. Where any particulars are required by this Ordinance to be entered in any book, form or document, such particulars shall be entered in Sinhala Tamil or English.</p>	<p>Language to be used in entering particulars.</p>
<p>17. Every pawnbroker shall keep and use in his business a pledge book in the form A and a sale book of pledges in the form B set out in the Second Schedule, and shall from time to time, as occasion demands, enter therein in clear and legible manner all the particulars for the recording of which provision is made in such forms, and shall make all inquiries necessary for that purpose.</p>	<p>Books to be kept by pawnbrokers.</p>

Pawn tickets.

18. (1) Every pawn ticket shall be executed in foil and counterfoil in the form C set out in the Second Schedule and in accordance with the directions contained in that form.

(2) The particulars in the Third Schedule shall be printed legibly in Sinhala, Tamil and English on the back of the foil of every pawn ticket.

(3) Where a pledge is pawned for One Thousand Rupees or over, the foil of the pawn ticket relating to that pledge shall bear a stamp according to the value. The expense for providing such stamp shall be borne by the pawnbroker.

(4) No article shall be or the deemed to be taken in pawn unless and until -

(a) the pawner has signed the counterfoil of the pawn ticket ;

(b) the pawnbroker has signed the foil of the pawn ticket and has given the foil to the pawner ; and

(c) the pawner has received and accepted the foil of the pawn ticket from the pawnbroker.

Rate of interest.

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

Provided that where any tax is payable in respect of a loan given on a pledge, nothing in the preceding provisions of this section shall be deemed to prohibit the pawnbrokers from recovering such tax from the pawner.

In this Section “Pledge” includes a pledge which has been pawned and which has not been redeemed before the appointed date.

## PART II

## PLEDGES

Pledges  
redeemable  
within one year.

20. Every pledge shall be redeemable within a period of twelve months (hereinafter in this Statute referred to as the “period of redemption”) from the day of pawning, exclusive of that day.

Pledges to  
continue to be  
redeemable until  
sale.

21. Notwithstanding anything in this Statute, every pledge shall continue to be redeemable until it is disposed of as in this statute provided, although the period of redemption has expired.

Procedure for  
redemption of a  
pledge.

22 (1) The pawner shall be entitled to redeem a pledge if he surrenders to the pawnbroker the foil of the pawn ticket relating to that pledge and signs the foil in the presence of the pawnbroker or his agent or servant.

(2) A person other than the pawner shall be entitled to redeem a pledge if such person surrenders to the pawnbroker the foil of the pawn ticket relating to that pledge duly endorsed with the signature of the pawner and if such person signs that foil in the presence of the pawnbroker or his agent or servant.

(3) Where by reason of the death or legal disability of the pawner, the holder of the foil of the pawn ticket relating to that pledge (hereinafter in this section referred to as the “holder”) claims to be entitled to redeem that pledge but is unable to surrender to the pawnbroker the foil of the pawn ticket duly endorsed with signature of the pawner, the pawnbroker shall permit the pledge to be redeemed if such holder surrenders to him the foil of the pawn ticket relating to that pledge together with a declaration in the form E set out in the Second Schedule, duly made before a Justice of the Peace by such holder and by the person identifying him.

(4) Subject to the provisions of Sub-sections (1), (2) and (3), the pawnbroker shall, on payment of the loan, the interest due thereon, and tax, if any, payable in respect of such loan, deliver the pledge to the pawnor or holder, as the case may be, who produces the foil of the pawn ticket relating to that pledge :

Provided, however, that if the pawnbroker has reason to suspect that such holder, has sold or otherwise illegally obtained possession of the pawn ticket, the pawnbroker may forthwith inform an Officer of Police or Grama Seva Niladhari.

23. If a person entitled and offering to redeem a pledge shows to the satisfaction of a civil court of competent jurisdiction that the pledge has become, or has been rendered, of less value than it was at the time of pawning thereof, by or through the default, neglect, or willful misbehavior of the pawnbroker, the court may, if it thinks fit, award a reasonable satisfaction to the owner of the pledge.

Compensation for depreciation of pledge.

24. (1) Any person claiming to be the owner of a pledge, but not holding the foil of the pawn ticket, or any person claiming to be entitled to hold the foil of the pawn ticket, but alleging that the foil of such ticket has been lost, stolen, mislaid, destroyed, or fraudulently obtained from him, may deliver to the pawnbroker a declaration in the form E set out in the Second Schedule, duly made before a Justice of the Peace by himself and by the person identifying him, and shall thereupon have, as between himself and the pawnbroker, all the same rights and remedies as if he produced the foil of the pawn ticket ;

Protection of owners and of pawnors not having pawn tickets.

Provided that for the purpose of redeeming a pledge he shall sign the counterfoil of the pawn ticket.

(2) The pawnbroker is hereby indemnified for delivering the pledge or otherwise acting in conformity with the declaration, unless he has actual or constructive notice that the declaration is fraudulent or false in any material particular.

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

Pawn tickets to be retained by pawnbroker after redemption or sale of pledge.

(2) Where a pledge is redeemed without the surrender of the foil of the pawn ticket relating to that pledge, a pawnbroker shall retain in his possession for a period of twelve months reckoned from the date of the redemption of that pledge the counterfoil of the pawn ticket relating to that pledge and the declaration delivered to him under Section 24 for the purpose of such redemption.

(3) Where a pledge is sold under the provisions of this Ordinance, the pawnbroker shall retain in his possession the counterfoil of the pawn ticket relating to that pledge for a period of twelve months reckoned from the date of sale.

26. (1) Where in any prescribed circumstance any pledge is lost while in pawn with any pawnbroker, the security furnished by such pawnbroker shall be applied in the prescribed manner to the payment of compensation to the pawnor or to any other person entitled to redeem such pledge.

Application and return of security furnished by pawnbrokers.

(2) Where a person ceases to carry on the business of a pawnbroker, the amount of the security furnished by him less any sum applied there from to the payment of such compensation as is referred to in Sub-section (1) shall be returned to him.

27. (1) Where a pledge is destroyed or damaged by or in consequence of fire, the pawnbroker shall nevertheless be liable, on demand, within the period of redemption, to pay the value of the pledge, after deducting the amount of the loan and interest, and business turnover tax, if any, payable in respect of such loan.

Liability of pawnbroker in case of fire.

(2) Every pawnbroker shall have his business insured to the full extent of the value of the articles pawned with him.

Receipt of pawnbroker.

28. Every pawnbroker shall, at the time of redemption of the pledge, give a receipt for the amount of loan and interest paid to him and tax, if any recovered by him and preserve a copy of such receipt with the pledge book. Such receipt shall be in the Form F set out in the Second Schedule.

Pledges to be sold by auction.

29. (1) Every pledge which is not redeemed within the period of redemption may be disposed of by sale by public auction but shall not be disposed of otherwise, and the regulations in the Fourth Schedule shall be observed with reference to the sale.

(2) Where a pledge is to be sold by public auction under the preceding provisions of this Section, where a pledge is to be sold by public auction under the preceding provisions of this Section, the pawner shall be given two months notice in writing with regard to such sale. The pawnbroker with whom such pledge had been pawned shall give at least twenty one days notice in writing to the Chief Secretary of the date and time fixed for such sale and the place at which such sale is to be held.

Notice of sale.

30. The pawnbroker shall give to every pawner whose pledge is to be sold under this Statute at least fourteen days' notice of the date fixed for the sale of his pledge by public auction and of the place at which the sale is to be held.

Proceeding at sale of pledge for more than the amount of the loan, interest and any tax.

31. In every case where a pledge is sold under this Statute for more than the amount of the loan and interest due on the date of the sale and any tax, if any, payable in respect of such loan the pawnbroker shall -

- (a) forthwith give to the pawner of that pledge notice of the amount for which the pledge was sold and of the amount lying to the credit of the pawner after deducting the necessary costs and accrued interest charges of the sale and ;
- (b) on demand made within one year from the date of such sale pay to the holder of the pawn ticket relating to that pledge the amount lying to the credit of the pawner ; and
- (c) if no such demand is made within the said period of one year, forthwith on the expiry of the said period, deposit the amount lying to the credit of the pawner in the Provincial Council to the credit of the pawner.

Procedure on sale of pledge before the appointed date for more than the amount due and interest.

32. Where, at any time before the appointed date, any pledge pawned for above Thousand Rupees has been sold under the law then in force for more than the amount of the loan and interest due at the time of the sale, and no demand for the amount lying to the credit of the pawner is made to pawnbroker by the holder of the pawn ticket relating to that pledge within one year after the date appointed date, the pawnbroker shall, forthwith on the expiry of the said period, deposit such amount in the Provincial Council Fund to the credit of the pawner.

Method of giving notice under Sections 29, 30 and 31.

33. Every notice under Section 29, 30 or 31 shall be sent by registered post to the pawner at the address entered in the pledge book and the cost of registration shall be borne by the pawner.

Purchase of pledges by pawnbroker.

34. A pawnbroker may bid for and purchase at a sale by auction made or purporting to be made under this Statute, a pledge pawned with him ; and on such purchase he shall be deemed to be the absolute owner of the pledge purchase.

PART III

*INSPECTION, EXAMINATION AND SEIZURE*

35. At any time within two years from the date on which a pledge is sold under this Statute, the holder of the pawn ticket may inspect the entry of the sale in the pawnbroker's book and in the filled-up catalogue of the auction authenticated by the signature of the auctioneer, or in either of them ; and the pawnbroker shall permit the holder of the pawn ticket to inspect the entry of the sale in such book and catalogue or in either of them.

Power to inspect sale books.

36. Where any person -

- (a) offers to a pawnbroker an article by way of pawn, but refuses or is unable to give a satisfactory account of the means by which he became possessed of it ; or
- (b) willfully gives false information to a pawnbroker as to whether an article offered by him in pawn to the pawnbroker is his own property or not, or as to his name and address, or as to the name and address of the owner of the article ; or
- (c) attempts or endeavours to redeem a pledge, not being entitled to redeem ; or
- (d) offers to a pawnbroker an article by way of pawn and the pawnbroker has reason to suspect that it has been stolen or otherwise illegally.

Proceedings where persons offering articles in pawn do not give a good account of themselves.

the pawnbroker may forth with inform of an officer of police or peace officer, who shall forthwith convey the person and the article before a court of competent jurisdiction to be dealt with according to law.

37. It shall be lawful for a Provincial Revenue Commissioner, by an order served on any pawnbroker, to require such pawnbroker to attend before him on a day and hour to be specified in the order, and to produce for examination all books and papers relating to his business ; and every pawnbroker on whom any order is served under this Section shall comply with the requirements of such order.

Pawnbroker's book subject to examination.

38. It shall be lawful for any officer of police not below the rank of Sub-Inspector or any public officer authorized in writing in that behalf by the Chief Secretary or any authorized officer to enter any pawnbroker's shop or place of business or residence at any hour of the day and examine and take note of any article pledged with the pawnbroker, or any books and papers kept by him ; and no person shall resist any such officer in the execution of his duty.

Power to search pawnbroker's shop or residence.

PART IV

*OFFENCES AND PENALTIES*

39. Every person who -

- (a) offers to a pawnbroker an article by way of pawn but refuses or is unable to give a satisfactory account of the means by which he became possessed of it ; or
- (b) willfully gives false information to a pawnbroker as to whether an article offered by him in pawn to the pawnbroker is his own property or not, or as to his name and address, or as to the name and address of the owner of the article ; or
- (c) attempts or endeavors to redeem a pledge, not being a person entitled to redeem such pledge ; or
- (d) without lawful excuse pawns with a pawnbroker anything being the property of another person ; or

Offences by pawners and other persons.

(e) makes a declaration under this Ordinance either for himself or as identifying another, knowing, such declaration to be false in any material particular ;or

(f) contravenes any provisions of this Statute or fails to do anything which he is required to do by this Statute.

shall be guilty of an offence.

Offences by pawnbrokers.

40. Every pawnbroker who -

(a) takes an article in pawn from any person appearing to be under the age of eighteen years or to be intoxicated ; or

(b) takes an article in pawn without giving the pawner the foil of the pawn ticket ; or

(c) purchases, or takes in pawn or exchange, the foil of a pawn ticket issued by another pawnbroker ; or

(d) employs any person apparently under the age of eighteen years to take articles in pawn ; or

(e) purchases, except at a sale by public auction under this Statute, any pledge while in pawn with him ; or

(f) suffers any pledge while in pawn with him to be redeemed with a view to his purchasing it ; or

(g) agrees with any person, pawning or offering to pawn any article, to purchase, sell or dispose of such article within the period of redemption ; or

(h) sells or otherwise disposes of any pledge pawned with him, except at such time and in such manner as is authorized by this Statute ; or

(i) makes any false entry in any book required to be kept by him under this Statute or fails to make therein any entry which he is required to make by this Statute ; or

(j) fails to have his business insured to the full extent of the value of all the articles pawned with him ; or

(k) contravenes any provision of this Statute or fails to do anything which he is required to do by this Statute.

shall be guilty of an offence.

Prohibition of taking in pawn linen, clothing, unfinished goods, &c., in certain cases.

41. Every pawnbroker who knowingly takes in pawn any linen or apparel, or unfinished goods or materials entrusted to any person shall be guilty of an offence ; and where any court convicts any pawnbroker of an offence under this section the court may, in addition to any other punishment which it may impose for that offence, order the pawnbroker to restore the pledge to the owner thereof in the presence of the court or as the court directs.

Pawnbroker failing to deposit in Provincial Council money lying to the credit of a pawner.

42. Every pawnbroker who fails to deposit in the Provincial Council Fund the amount lying to the credit of a pawner as required by Section 31 or Section 32 shall be guilty of an offence ; and where any court convicts any pawnbroker of such offence, the court may, in addition to any other punishment which it may impose for that offence, order a sum equal to such amount to be recovered from that pawnbroker as though it were a fine imposed by the Court. Every such sum when recovered by the court shall be deposited in the Provincial Council Fund to the credit of the pawner.



43. Anything done or omitted to be done by an employee or agent of a pawnbroker in the course of or in relation to the business of a pawnbroker shall be deemed to be done or omitted, as the case may be, by the pawnbroker. Offences by an employee or agent of pawnbroker.
- Provided that where, in the absence of a pawnbroker from his shop or place of business, anything is done or omitted to be done by any servant or agent of the pawnbroker in contravention of any provision of this Statute such servant or agent shall also be guilty of an offence and shall be liable to conviction to the penalty prescribed for that offence by this Statute.
- 44 . (1) Every person who is guilty of an offence under this Statute shall be liable to a fine not exceeding Twenty Five Thousand Rupees or to imprisonment of either description for a term no exceeding six months or to both such fine and imprisonment. Penalty.
- (2) Every such fine recovered under Sub-section (1) shall be credited to the Provincial Council Fund.
45. Where a pawnbroker or, in his absence, any agent or servant of the pawnbroker is convicted of any offence under this Statute, or of any fund in his business, or of receiving stolen goods knowing them to be stolen, the Chief Secretary shall cancel the licence issued to that pawnbroker. Cancellation of pawnbroker's licence.
46. Whenever, in any proceeding under this Statute, it is made to appear to a court that any article is in the unlawful possession of any pawnbroker, it shall be competent to such court to order the production of the article and its delivery to any person named by such court, under such items, if any, as may think proper. Articles in unlawful possession of pawnbroker.
47. Every pawnbroker shall submit an annual statement of accounts of his business to the Chief Secretary. Annual Statement of Account.
- PART V
- SUPPLEMENTARY*
48. Where any sum of money is deposited to the credit of any pawner in pursuance of the provisions of Section 31 and Section 32 that pawner shall be informed there of that person shall be entitled to receive payment of such sum of demand made to the Chief Secretary within one year from the date of such deposit. If no such demand is made within the said period of one year such sum shall, on the expiry of the said period, be credited to the consolidated fund. Sums of money deposited to pawner's credit in Provincial Council.
49. Anything by this Statute required or authorized to be done by a pawnbroker may be done by his servant or agent. Agents, employees, &c., of a pawnbroker.
50. For the purposes of this Statute the following persons shall be deemed to be persons carrying on business of taking goods in pawn, that is to say, every person who keeps a shop for the purchase or sale of goods, or for taking in goods by way of security for money advanced thereon, and who purchases or receives or takes in goods and pays or advances or lends thereon any sum of money, with or under an agreement or understanding expressed or implied, or to be from the nature and character of the dealing reasonably inferred, that those goods may be afterwards redeemed or repurchased on any terms ; and every such transaction, article, payment, advance, and loan shall be deemed a pawning, pledge, and loan, respectively, within this Statute. Keepers of certain shops to be deemed pawnbrokers.
51. (1) The Minister may make regulations for giving effect to the provision of this Statute. Regulations.

(2) In particular and without prejudice to the generality of the powers conferred by Sub-section (1), the Minister may make regulations -

- (a) prescribing any matter which is required by this Statute to be prescribed ; and
- (b) providing for any matter incidental or supplemental to the furnishing of security by pawnbrokers.

(3) No regulation made by the Minister under this Section shall have effect until it is approved by Provincial Council and notification of such approval is published in the *Gazette*. Every regulation shall, upon notification of such approval in the *Gazette*, be a valid and effectual as if it were herein enacted.

Delegation of powers, &c.,

52. Any power, function or duty of the Chief Secretary under this Statute may be exercised or performed by any public officer who is authorized to do so by writing under the hand of the Chief Secretary.

Transitional Provisions.

53. Notwithstanding any other provision of this Statute -

- (a) any licence issued under the Pawn Broker Ordinance (Chapter 99) shall be deemed to be a licence issued under this Statute ;
- (b) any regulation made under the Pawn brokers Ordinance (Chapter 99) shall be deemed to be regulations made under his Statute until regulations under this Statute is made ; and
- (c) any action instituted or any order given by any court regarding such action on the day immediately prior to the appointed date, shall be deemed to an action instituted or any order given by any court under this Statute.

Interpretation.

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

“appointed date” means, the date which this statute cover into force ;

“business place” includes a dwelling house, warehouse, place of business, and any place where business is transacted ;

“Chief Secretary” means, Chief Secretary of the Southern Provincial Council or any other officer duly authorized by him ;

“Governor” means, Government of Southern Province Provincial Council ;

“foreign company” means, a company in which Part IX of the Companies Act, No. 7 of 2007 applied ;

“foreign firm” means a firm ;

(a) consisting of two partners one of whom is not a citizen of Sri Lanka, or both of whom are not such citizens ; or

(b) consisting of more than two partners at least one of whom is not a citizen of Sri Lanka;

“month” means, a period of thirty days for the purpose of charging profit or interest ;

“pawnbroker” includes every person who carries on the business of taking goods in pawn except pawning business carried out by bank ;

“Pawner” means, a person delivering an article for pawn to a pawnbroker ;

“Provincial Council” means, Southern Province Provincial Council ;

“Provincial Council Fund” means, the fund established under the Section 19 of Provincial Act, No. 42 of 1987 ;

“Minister” means Minister in charge of Finance in Southern Province Provincial Council ;

“unfinished goods or materials” includes any goods of any manufacture or of any part or branch of any manufacture, either mixed or separate, or any materials whatever plainly intended for the composing or manufacturing of any goods, after such goods or materials are put into a state or course of manufacture, or into a state for any process or operation to be performed thereupon or therewith, and before the same are completed or finished for the purpose of wear or consumption.

(Section 3)

**FIRST SCHEDULE**

**Licence**

I, ..... Chief Secretary for Southern Province Provincial Council do hereby authorize and license ..... of ..... to carry on business of a pawnbroker at ..... within the limits of ..... in the ..... Southern Province, under the provisions of the Pawnbrokers Statute.

This license will expire on .....

.....  
 Chief Secretary.

(Section 17)

Second Schedule

Form A

Pledge Book

Pledge Book of ....., Pawnbroker, of .....

No. and Date of the issue of Pawn Ticket	No. of Pledge in the Months	Amount of Loan upon each Article	Profit or Interest charged upon each Article	Name of Pawner	Address of Pawner	Name of Owner if other than Pawner	Description of each Article pawned	Weight of Article if Jewellery	Value of each Article pawned	Date of Redemption	name and Address of Person redeeming
		Rs. c.	Rs. c.						Rs. c.		

(Section 17)

**FORM B**

**Sale Book of Pledges**

Date and Place of sale .....

Name and Address of Auctioneer .....

No. of Pledge as in Pledge Book	Date of Pawning	Name of Pawner	Amount of Loan	Amount of Interest due	Amount for which each Pledge was sold by Auctioneer	Name and Address of Purchaser
			Rs. c.	Rs. c.	Rs. c.	

(Section 18)

**FORM C**

**Pawn Ticket**

Counterfoil. No. ....

To be retained by Pawnbroker.

Date : .....

Name and address of pawnbroker : .....

I, the undersigned, .....of (address of pawner) .....have this day pawned with the aforesaid pawnbroker ..... worth Rs. .... for Rs. ....

Signature of Pawner, or left  
Thumb impression of pawner  
if unable to write his name } .....

Foil. No. ....

Date : .....

..... (name and address of pawner) has this day pawned with the undersigned ..... (name and address of pawnbroker)

..... worth Rs. .... for

Rs. ....

Signature of Pawn broker or an employee or agent of pawnbroker } .....

(Section 22)

**FORM D**

**Declaration where the Foil of The pawn Ticket is Surrendered under Section 20 Without the Signature of the Pawner Endoresed thereon**

I, A. B. .... of ..... in pursuance of the Pawnbrokers Statute, de solemnly and sincerely declare that ..... pledged at the shop of ..... Pawnbroker, the article/s described below and received the foil of a pawn ticket for the same and that for the purpose of redeeming the pledge I am unable to surrender the foil of the pawn ticket to the pawnbroker with the signature of the said ..... (pawner) duly endorsed thereon, because the said ..... (Pawner) is dead/under a legal disability to wit ..... (nature of legal disability).

The article/s above referred to is/are .....

I. C. D., ..... in pursuance of the same Statute, do solemnly and sincerely declare that I know the person now making the foregoing declaration to be A. B., ..... of .....

Declared before me this ..... day of ....., 20.....

Signature of A. B. ....  
Signature of C. D.....

.....  
Justice of the Peace.

(Section 24)

**FORM E**

**Declaration where the Foil of the Pawn Ticket is Lost, & C**

Take notice, if this declaration is false the person making it is punishable.

I, A. B., of ..... in pursuance of the Pawnbrokers Statute, do solemnly and sincerely declare that ..... pledged at the shop of ..... Pawnbroker, the article (or articles) described below, being ..... property, and received the foil of the pawn ticket for the same, which has since been ..... by ..... and that the foil of the pawn ticket has not been sold or transferred to any person by ..... or to ..... knowledged or belief.

The article (or articles) above referred to is (or are) the following : .....

And, I C , D., of ..... in pursuance of the same Statute do solemnly and sincerely declare that I know the person now making the foregoing declaration to be A. B. of .....

Declared before me this ..... day of ..... 20 .....

.....  
Justice of the Peace.

(Section 28)

**FORM F****Receipt**

Date : .....

Received on redemption of Pledge No. ....

Rs. cts.

Amount of loan	.....	.....	
Profit or interest	.....	.....	
Business Turnover Tax	.....	.....	
		<b>Total</b>	..... .....

**THIRD SCHEDULE**

## 1. Rate of Interest.

The rate of interest on every Rupees Thousand shall be for every month or part thereof.

## 2. Relevant Tax

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

## 3. Restriction on recovery of enhanced interest :

Where a pawnbroker is entitled to enhanced interest as from any date, such enhanced shall not be recoverable if the pawner shows to the satisfaction of a civil court of competent jurisdiction that he failed to redeem the pledge before such date only because the pawnbroker's shop remained closed between 8 a.m. and 8 p.m. on the day preceding that date.

If the pawn to which this ticket relates is not redeemed within a period of twelve months from the day of pawning, it is liable to be sold by public auction.

If the surplus profits, if any, from the sale are not claimed by the pawner within one year from such sale, the said profits will be placed to his credit in the Provincial Council or one year.

**FOURTH SCHEDULE****Regulations Relating to Auctions of Pledges**

1. The auctioneer shall cause all pledges to be exposed to public view.
2. He shall publish catalogues of the pledges, stating -
  - (a) the pawnbroker's name and place of business ;
  - (b) the month in which each pledge was pawned ;
  - (c) the number of each pledge as entered at the time of pawning in the pledge book.

3. The pledges of each pawnbroker in the catalogue shall be separate from any pledges of any other pawnbroker.
4. The auctioneer shall give notice of the sale by advertisements inserted in at least one Sinhala, Tamil and English newspaper and by notices displayed in places resorted to by the public in the area where the sale is to be held, and such advertisements and notices shall state -
  - (a) the pawnbroker's name and place of business ; and
  - (b) the months in which the pledges were pawned.
5. The advertisement shall be inserted on two several days in the same newspaper, and the second advertisement shall be inserted at least ten clear days before the first day of sale.
6. Where a pawnbroker bids at a sale, the auctioneer shall not take the bidding in any other form than that in which he takes the biddings of other persons at the same sale ; and the auctioneer on knocking down any article to a pawnbroker shall forthwith declare audibly the name of the pawnbroker as purchaser.
7. The auctioneer shall, within fourteen days after the sale, deliver to the pawnbroker a copy of the catalogue, of so much thereof as relates to the pledges of that pawnbroker, filled up with the amount for which the several pledges of that pawnbroker were sold, and authenticated by the signature of the auctioneer.
8. The pawnbroker shall preserve every such catalogue for two years at least after the auction.

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